

South East Regional Improvement & Efficiency Strategy



March 2008

Foreword

In the South East (SE) local government and partners face substantial challenges with demographic, social, environmental and economic trends due to have a major impact on future services. Our region has clearly demonstrated, year on year, that we rise to the challenge set by Government to drive improvement and efficiency within the sector. We welcome the National Improvement and Efficiency Strategy (NIES), agreed by central and local government and backed by over £380,000,000 over three years, which brings targeted resources to raise and sustain even higher performance at a local level. Regional Improvement and Efficiency Partnerships (RIEPs) are a critical part of the developing local government improvement architecture. The SE Improvement and Efficiency Partnership (SEIEP) is at the centre of supporting the transformation of public services and of building the local leadership capacity in this region. Our approach in establishing the RIEP is unique with a member led regional strategy and a bottom-up approach to planning and delivery for coherent sector led support.

Our aspiration is to make a step change in the performance of local government within the region. We wish to take performance to a new level and to close the gap between the poorest performers and the best. The SE population of 8.2 million is the largest of any English region and this is projected to rise to over 9 million by 2026. This background of rapid growth, along with rising public expectations and finite public spending, means that living up our aspiration will require new levels of performance, efficiency and innovation. To achieve this, we will supplement assistance for improved performance with support for the development of successful LAAs and delivery of further efficiency gains. By fostering innovation and a structured approach to sharing learning we aim to build skills and capacity in our public services, so that improvements are maintained and built upon in the future.

SEIEP is working closely with the Government Office (GO), Improvement and Development Agency (IDeA), Audit Commission (AC) and South East Employers (SEE) to seize the opportunity that the NIES provides to achieve greater improvements and efficiencies. Regional Improvement Partnership (RIP) and Regional Centre of Excellence (RCE) operational structures and governance are merged and all work is aligned. SEIEP has sub-regional and thematic partnerships supporting front line innovative joint delivery. There is strong political leadership with a Member Board on which lead councillors represent the authority clusters and regional themes. The members are strongly engaged and they act as a link to other member stakeholders across the region and to the partnership programmes.

SEIEP has created an informed, balanced programme of regional and sub-regional projects. We are ensuring that processes are in place to enable progress reporting and scrutiny by members at effective intervals. We commit to transparent performance management and monitoring at regional, sub-regional and local levels so that we and others may evaluate how we are delivering the priority outcomes and also to provide learning to the sector as a whole. In the SE we are proud of our improvement journey and our reputation for an evidence-based and partnership approach to continuous development. We now aim to improve performance and transform services further to deliver better and more efficient outcomes for local people in our region.



Councillor Tim Hall
Chair, South East Improvement and Efficiency Partnership

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2 Executive Summary

The aspiration of SEIEP is to make a step change in the performance of local government within the region and we have three overarching priorities of:

- **Ensuring improved performance** by advancing support through sharing intelligence, developing preventative plans and coordinating specialist programmes to target areas of particular concern
- Creating the conditions for **achieving successful Local Area Agreements (LAAs)** by supporting the development process and innovation to meet common targets for LAAs in the region
- **Delivering the efficiency targets of 3%** through support for innovation in cost effective service delivery and rollout of high impact and cash releasing solutions across the region.

The South East Context

The partnership will deliver its aspiration against the backdrop of a large and complex region with some very clear pressures. The SE contains 55 District Councils, 12 Unitary Councils, 7 County Councils and 9 Fire and Rescue Authorities (FRAs). This makes it the largest and most complex of the English regions. The economy of the region is the 22nd largest in the world and the total population of the SE is 8.2 million, making it the largest of the English regions. The SE is unique in terms of economic growth, increase in housing and population changes which all contribute to the pressures on public service delivery and the region's infrastructure.

In addition to the pressures on services and infrastructure, the region has some key performance issues. Performance issues in the region are characterised by the approach to local government structure and the variation of performance. In general there is a strong commitment to delivering improvement and efficiency through better two tier working and, whilst the region has strong performance, overall figures mask significant variations around average performance.

In the SE, as elsewhere, there exists a gap between current skills and capacity of authorities and what is needed to change and improve services to meet customer expectations. Councils need excellent organisational development and change management skills to positively engage their staff in developing new structures and ways of working.

Authorities in the region must find funds to invest in their services to meet the challenges in the region but this is proving to be very difficult since, in the CSR07 settlement, 53 of the 74 councils in the region are at the funding floor set by central government in 2008/9. The average increase in formula grant for authorities in the region for this coming financial year is just 2.5%, compared with a national average of 3.6%.

Our Approach

The partnership has developed its strategy "bottom up" from input to the thirteen sub partnerships of the region with activity delivered across the region. Real project plans based upon real need were developed from June to December 2007. These inputs were synthesised and the result opened to challenge from within the partnership and other key stakeholders including IDeA, GO, AC and SEE. As a result, our strategy identifies ten delivery themes where investment and support will be required to meet the aspiration of SEIEP to deliver an integrated approach to performance improvement, LAA priorities and efficiency gains. These ten themes are:

Performance Improvement; Capacity Building; LAAs and LSPs; Community Engagement; Sustainable Communities; Adult Social Care and Services for Children; Corporate Transformation; Waste Resource Management; Construction and Asset Management; and Commodity Procurement.

In planning and executing its role SEIEP will: be member led and have local ownership; take an evidence based approach; harness innovation and improve benefits realisation; and foster a culture of collaboration and open communication. We will ensure that the priorities of the partnership and the plans for action are firmly based upon evidence of the needs of the region. We will closely monitor our performance in relation to improvement, delivery of LAAs, and efficiency and use this to continually review our priorities.

What We Will Achieve

We have a number of overarching targets and targets specific to each of the ten themes. We will monitor monthly and report annually to authorities and both quarterly and annually to the LGA /Government /Chief Executives Task Group governance structure. We will account for the distribution and use of funding, progress against priorities, and return on investment and provide reassurance that the standards specified in the NIES are exceeded and that all stakeholders are delighted by SEIEP's performance.

Our overarching targets are:

<p>Core Targets</p> <ol style="list-style-type: none"> 1. No CAA scores of “weak” (or its new equivalent) or less (currently 3 district authorities and 2 Fire and Rescue Authorities in this category) 2. Improving on the regional current position with 95% of authorities to have a minimum use of resources score of 3 or higher (or equivalent under CAA) 3. Sustained improved Children’s and Adult Services performance assessments 4. No central government interventions required for poor performance 5. 50% of authorities signed up to achieving the Charter for Member Development 6. All local authorities have sector led corporate peer review every three years 7. All LAAs to be reaching projected milestones and targets 8. All authorities signed up to working to achieving equality standard level 3 within a realistic timeframe 9. Improved year on year customer satisfaction scores 10. Region achieving efficiency target of 3% pa savings with a balance of achievement between tiers of authorities 11. Delivery of a portfolio of projects that deliver a return on investment over 3 years of at least £5 of efficiency gains for every £1 invested by CLG 12. £250m worth of cashable efficiency savings to be made by authorities over 5 years as a result of SEIEP supported projects
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The specific targeted outcomes for each of the ten themes in our strategy, based on receipt of an estimated £26.6m of RIEP funding are:

<p>Performance Improvement</p> <ul style="list-style-type: none"> • Councils sharing responsibility for individual and collective performance by monitoring, benchmarking and taking ownership of providing peer support to improve • New multi-agency group bringing together IDeA, GO, SEE, AC and the SEIEP to share intelligence on performance in a confidential environment aimed at prevention • Council self assessments and regular three yearly peer reviews which result in supported action programmes • Responsive, practical and coordinated support provided to authorities who need help to improve performance or face particular challenge by increasing use of sector capacity and expertise • Strengthening of collaborative approaches to delivering and transforming services • A co-ordinated intelligence database accessible to all members and officers enabling benchmarking of performance and signposting support and solutions
<p>Capacity Building</p> <ul style="list-style-type: none"> • Improved skills amongst officers and members through commissioning and delivery of training courses that focus on improving skills in leadership, change management and innovation • Effective identification of organisational development needs through reviews of job/organisational cultures and performance management systems • Increased capacity and performance through: better project and programme management strategic challenge member/officer events; talent management systems; cross organisational succession planning; new coaching and mentoring networks; and use of e-learning tools • Reduced learning curve for new members through better member induction programmes • Improved procurement and commissioning skills within authorities • Members achieving their political aspirations supported by coherent organisational development programmes to deliver priorities
<p>LAAs and LSPs</p> <ul style="list-style-type: none"> • Successful LAA/LSP/MAA delivery with changed practice to deliver local people’s priorities • Increased corporate and partnership LAA/LSP leadership and capacity • Joint learning and project development for LAs and partners in the private and voluntary sector • Partnership working capability strengthened through learning and development • Innovative partnerships with strengthened skills, understanding and capacity • At least six exemplar projects demonstrating an innovative approach to meeting LAA targets, with recommendations for rollout regionally and, if appropriate, nationally
<p>Community Engagement</p> <ul style="list-style-type: none"> • Development and extension of innovative community engagement and empowerment activities e.g. coordinated neighbourhood and warden activity and networks of authorities involved • Learning exchanges established within and between communities • Integrated model for neighbourhood engagement and consultation involving key LSP partners including a toolkit for use by South East authorities, including templates for legal agreements, community contracts, advertising, terms of reference etc. • Successful Participatory Budgeting trials and Joint Partnership Neighbourhood Panels • Improved authority web sites providing better quality information and communication with residents • Tested web and other technological innovations that can improve citizen access to council services and promote interactivity

<p>Sustainable Communities</p> <ul style="list-style-type: none"> • Better understanding of the major economic, employment and environmental challenges being faced in the longer term by enhanced joint working between public, private and community sectors • Local research to understand employment sectors and their future implications for sustaining prosperity • Local research into matching skills needs to demand • Pilot measures for the economic cost of congestion • Pilot comprehensive measurement of authorities' carbon footprints and development of strategies and action plans to reduce each council's overall impact • Strategic transport studies at subregional level
<p>Adult Social Care and Children's Services</p> <ul style="list-style-type: none"> • 13-15% unit cost savings per residential placement, worth an estimated £150m, through use of toolkits by LAs • Lessening the predicted impacts of rising social care costs and building an infrastructure which supports new approaches to service delivery by providing a platform for purchasing new types of care services and putting the service user in control of commissioning their own care. • Preventative support programmes as part of a package of help at a corporate and service levels • £61.5m savings on costs of adult (after transition at age 16-25) residential care placements through better and consistent understanding of children's placement costs and requirements and better management of transition • Better integration of national, regional and local support in Children's Services with growth of peer support across clusters of LAs targeted for improvements • Supported member and officer networks for Adult and Children's Services in the region
<p>Corporate Transformation</p> <ul style="list-style-type: none"> • Nationally significant collaboration models for two tier working, and other LA partnerships leading to 10% efficiency savings and service quality improvements and support for further developments • A cohesive partnership support service for significant projects throughout the region, ensuring skills and knowledge transfer and reduction in use of external resources • Increased skills within local government in Business Process Reengineering leading to process redesign, improved customer outcomes and savings of £1m per active partner • Toolkits for service transformation enabling the development of skills for authority staff and cost avoidance through reduced use of external consultants • Improving the customer experience through the rollout of single point of contact solutions for integrated customer support across all local public services • Increased resilience in key services with capacity issues such as planning and building control through the implementation of new service models
<p>Waste Resource Management</p> <ul style="list-style-type: none"> • 4 'cluster' partnerships of authorities supported to develop joint waste services, delivering £11m efficiencies and subsequent clusters making operational and back office savings of 5 - 15% per cluster • 5% savings through enhanced market shaping including the establish of a regional waste collection framework and implementation of sustainable innovative waste management solutions • £1m savings from the reduction in the increase in the cost of waste collection through use of standardised template documentation and procurement toolkits • Performance improvement through research, skills development; knowledge transfer; effective use of external advice; and nationally significant innovation in waste resource management • Partnerships achieving a reduction in procurement costs of up to 10% through e-tendering and avoiding duplication • £4m saving through reducing carbon footprint for waste collection through optimisation of routes, moving to sustainable vehicle fleets and improved driving skills
<p>Construction and Asset Management</p> <ul style="list-style-type: none"> • Reduction in buildings expenditure by reducing cost overruns from 10% to less than 1%, reducing the costs of procurement by £75K for spot purchased large buildings, and saving £83m through targeted support • Up to £18m savings through reduced procurement costs and better value for money from specialist consultants • An overall reduction on the total spend on buildings and maintenance and the smarter use of premises to accommodate new ways of working • £10m savings from prioritisation of resources relating to asset management and shared buildings and asset management services between authorities in the same geographic area • Common highways asset management strategies and highways professional development • Regional and sub regional frameworks for highways consultancy and construction incorporating a consistent approach to highways supply chain engagement to eliminate lengthy and expensive pre-contract negotiations leading to savings of 10%
<p>Commodity Procurement</p> <ul style="list-style-type: none"> • Increased capacity for strategic procurement and £2m annual efficiency savings by stimulating procurement hubs • £65m savings through sharing knowledge of and stimulating use of best available contracts for all spend areas and enhanced ability of local authority procurement to self improve. This will include £5m efficiencies in legal services and £10m in insurance • Comprehensive region wide contracts and opportunities database resulting in £20m savings via reuse of existing contracts and reduced procurement costs • Comprehensive regional database of external spend within local authorities • Eight exemplar councils for sustainable procurement to share experience and expertise • £28m of commonly occurring construction commodities and materials yielding up to 30% saving

1 Introduction

Our approach in developing this strategy is evidence based and relates to current authority performance and the latest innovative practice, within the region and elsewhere. The overall aspiration of SEIEP is defined through three key strategic priorities. To deliver against each of these priorities, analysis and wide consultation has been used to define ten themed areas of activity, each of which has six agreed outcomes.

This strategy is divided into three main sections as follows:

- Section 2 provides the SE context for the strategy, outlining the challenges facing the region and describing the strengths and weaknesses of local government in the SE, based on the available evidence
- Section 3 explains in more detail how the strategy has been developed and describes the aspiration and key priorities of SEIEP, together with the values and principles to which the partnership is committed
- Section 4 describes ten delivery themes for the strategy plus their associated outcomes and proposed funding allocations together with the overall targets and aims for SEIEP.

The Annexe to the strategy includes additional details about the governance of SEIEP and its sub-partnerships, plus the SE protocol for improving performance and an initial risk register.

2 The South East Context

The economy of the region is the 22nd largest in the world, bigger than those of Denmark, South Africa and Sweden. The SE is unique in terms of economic growth, increase in housing and population changes which all contribute to the pressures on public service delivery. With our south coast ports, Channel Tunnel access and the presence of Gatwick and Heathrow airports we are at the hub of European and international travel links. The Olympics is set to have a major impact on our construction, infrastructure and transport networks. Households are projected to grow from 3.4 million to 4.1 million by 2026 and 10% of the SE workforce is in the lowest paid category. It is estimated that as much as 17%, nearly 1.4 million individuals, are at risk of living in households with incomes below 60% of the median national income after housing costs. The Sub National Review (SNR) has a clear aim to help maximise prosperity by stimulating financial growth and improving housing supply. We are now working in new partnerships with economic, social and environmental stakeholders to develop integrated regional strategies by: supporting partnerships to exploit economic growth and regeneration opportunities; providing critical mass through strength in negotiation, influence, credibility and access; and encouraging authorities to work actively with businesses, voluntary sector and local communities.

There are particular challenges for our authorities in serving communities within very tight government financial settlements which are set to reduce further. We are meeting the expectations of devolution and sector led improvement with innovative new approaches and by strengthening collaborative working. Councils are working actively with partners to develop new and stronger LAAs to take the next steps in improvement of public services and to address local people's priorities.

2.1 Pressure on Services

As well as the expected population growth and corresponding strain on infrastructure there are a number of other significant pressures on delivery of services by authorities. Firstly the demographic profile of the population is changing substantially. 17% of the population of the SE are over 65 years old, a proportion set to grow to over 19% during the next 10 years. This will increase the demand for health and social care plus the pressure for development in focused spots such as coastal towns. The SE has the widest range of social deprivation and economic disparities outside London¹ (Figure 1). The SE Regional Plan states that "although the region's life expectancy is slightly above the national average, there is an increasing polarisation in health outcomes" e.g. male life expectancy in Thanet is three years less than the regional average. There is a need to narrow the gap as the areas with greatest levels of deprivation pose a significant challenge for economic development and neighbourhood renewal and face service delivery challenges that are very different from elsewhere.

¹ Source: SEERA South East Regional Plan

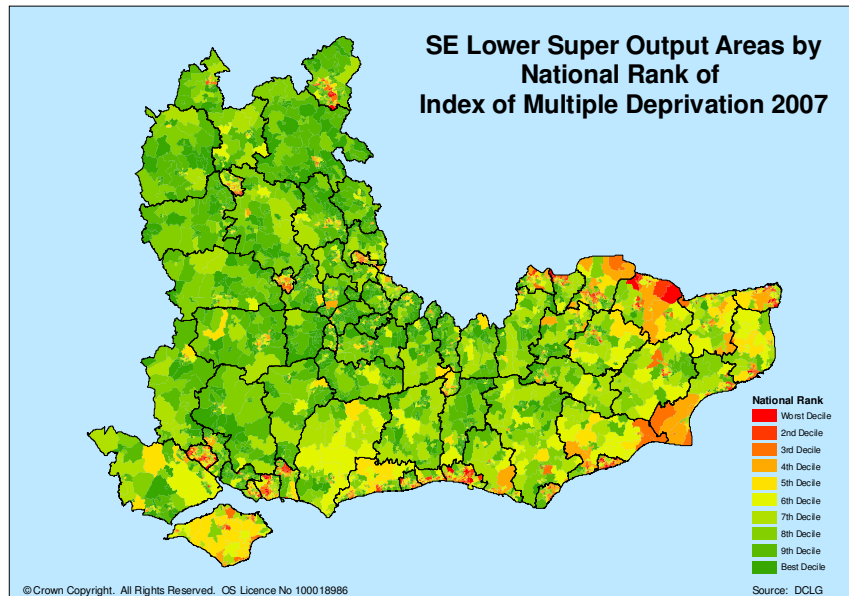


Figure 1 Index of Multiple Deprivation for South East

In many critical service areas recent changes in policy have led to the need for major changes in how services are delivered to citizens. In waste management, European legislation on use of landfill, and the associated fines for non-compliance, has increased the pressure to increase recycling levels and to look at new alternative ways of dealing with waste. In social care the national policy of giving service users greater control has led to initiatives such as direct payments and individualised budgets.

2.2 Pressure on Infrastructure

The total population of the SE is 8.2 million, making it the largest of the English regions. 16% of people in England live in the SE². The population is forecast to grow by 5% in the next ten years, fuelled by economic migration which will put further pressure on the region’s infrastructure. The Draft SE Plan requires 28,900 new homes to be built every year and, in ‘Delivering the SE Plan’, the Regional Assembly has calculated that £47 billion³ will be required to invest in services such as health, schools and transport if this growth is to be sustainable. 40%⁴ of the land in the region is subject to some form of protective designation, severely limiting the options for building new houses and facilities (Figure 2).

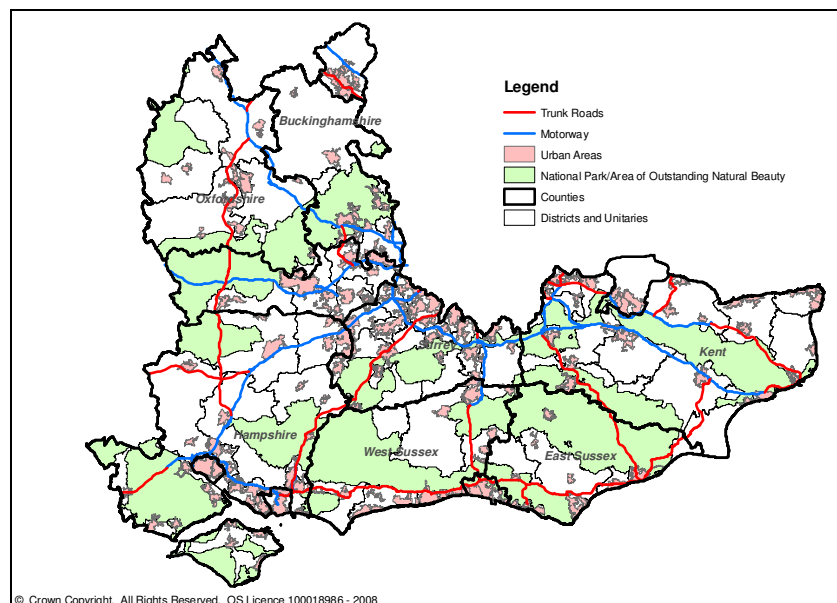


Figure 2 Land use in the South East

² Source: Office of National Statistics

³ Source: South East County Leaders ‘Taken for Granted’

⁴ Source: Sustainable Communities in the South East

The region is home to or borders on several of the Growth Areas identified by the Government namely Milton Keynes and South Midlands, Ashford and the Thames Gateway. These will see particularly rapid population growth and will create a challenge in terms of improving the local infrastructure to accommodate the additional population. Road and rail services, waste facilities, healthcare provision and emergency services are all under increasing strain and there is a dearth of affordable housing. This need for construction activity combined with the impact of the Olympics on the region could, if not managed properly lead to significant increase in prices and loss of efficiency.

2.3 Local Authority Performance

The SE contains 55 District Councils, 12 Unitary Councils, 7 County Councils and 9 Fire and Rescue Authorities (FRAs). This makes it the largest and most complex of the English regions. Most of the region is covered by two tiers of authority, district councils within shire county areas. No unitary bids have been taken forward by the government within the region in this period bringing a welcome stability. The region is home to a two tier pathfinder programme in Buckinghamshire and in general there is a strong commitment to delivering improvement and efficiency through better two tier working. The diverse nature means that collaboration between authorities takes place in a variety of ways including cross public sector partnerships and close partnerships between clusters of district councils. The region has a strong performance record. 94% of top tier authorities in the region have a 3 or 4 star CPA rating and 69% of district authorities are rated “Good” or “Excellent”. However, overall figures mask significant variations around average performance (e.g. Best Value indicator 3 outcomes for FRAs – 44% worst, 75% best). There are also significant variations both within the region at the macro-level and within local authority borders (Figure 3).

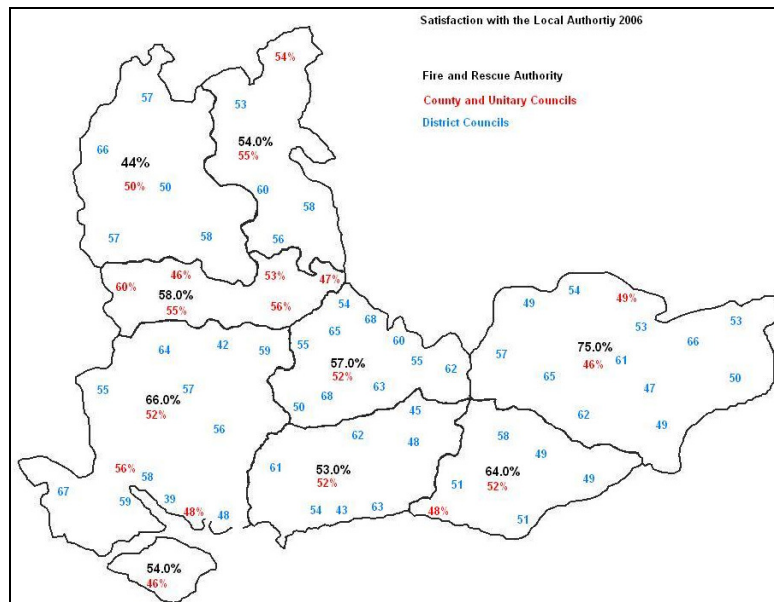


Figure 3 South East BVPI figures for Satisfaction with Local Authority

Local government customers have high expectations of the levels of performance of their public services. They require similar levels of choice and customer service that they receive elsewhere in their lives, especially given the rises in council tax over recent years. The Varney review, published in 2006, states that “there is an opportunity to coordinate services more directly around the needs of citizens and businesses and to deal with more problems at the first point of contact”. The most recent Best Value Performance Indicator Value (BVPI) data shows that, although performance in the SE is higher than the national average at 67% (compared with a national average of 64%) of citizens happy with the overall service provided by their council and 40% (compared with a national average of 39%) happy with how authorities handled their complaints. However we recognise that there is still room for further improvement.

In the new Comprehensive Area Assessment (CAA) and Multiple Area Assessment (MAA) environment, authorities will be more obliged than ever before to support each other with LAAs, LSPs and CAA linking to form a new performance framework (Figure 4). The theme behind the new performance framework is that local government needs to demonstrate its ability to address local issues and solve the problems of local citizens without intervention from central government.

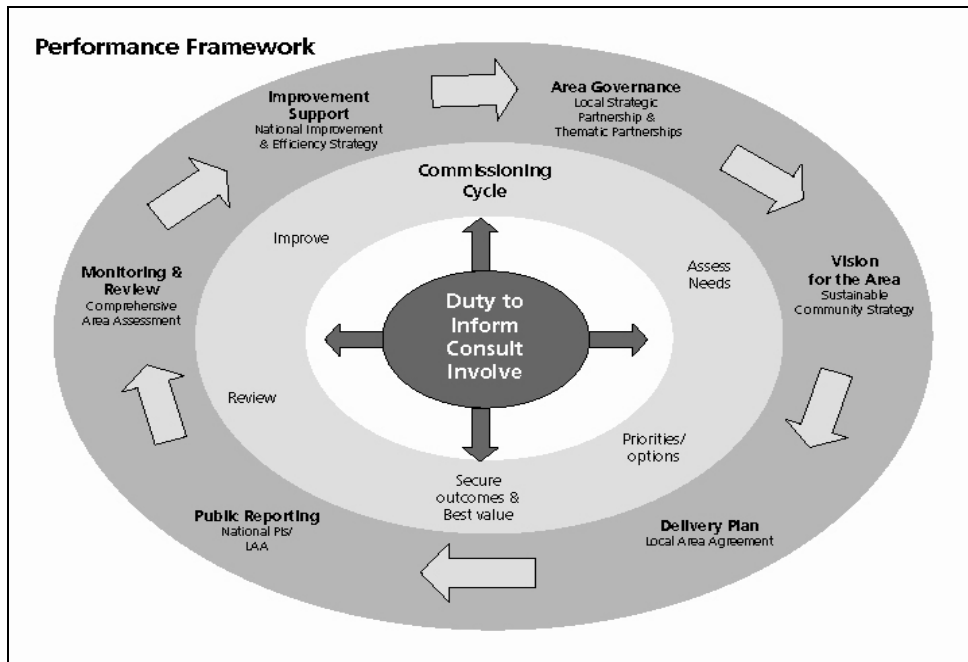


Figure 4 New Performance Framework for Local Government

New LAAs and strengthened LSPs play a crucial role in improving services to our citizens. We have 19 LAAs that set out the targets for the 74 LSPs in the SE. Local Authorities (LAs) are developing effective partnerships with a wide range of organisations including FRAs, Police Authorities, Primary Care Trusts, Housing Associations, voluntary sector and private companies. This necessitates major organisational and culture change. Realignment of priorities and strategic planning has to be achieved within short time frames with limited resources. The successes to date of SEIEP’s Progress through Partnership (PtP) programme to develop LSP capacity has given us an evidence base of current achievements and skills gaps to be addressed and informs where we should focus assistance.

There are some skills shortages in particular service areas, which form a barrier to improving and transforming service delivery and meeting higher customer expectations. The local government new Workforce Strategy identifies that: “the most widespread current occupational shortages include social work, environmental health, planning, building control, trading standards and teaching.” Feedback indicates that these professions are in short supply across the region creating bottlenecks in delivery plus leading to spiralling recruitment and salary costs without a corresponding service improvement.

2.4 Community Engagement and Empowerment

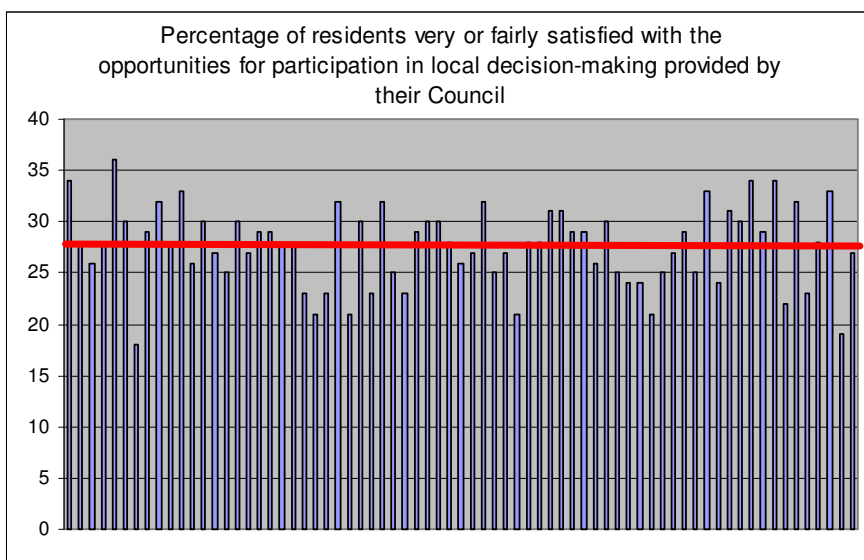


Figure 5 Satisfaction of residents with participation in decision making

The Local Government White Paper, *Stronger and Prosperous Communities*, highlights the importance of giving citizens greater control over how they access services and a larger role in decision-making that affects their community. According to the White Paper:

- 61% of citizens feel that they have no influence over decisions affecting their local areas; and
- Only around a third of the population vote in local elections and of those who do not vote 41% claim that it is because they do not think it will make a difference.

Community empowerment is a key theme of the NIES. The Lyons report states that “Local government needs to engage with local communities to understand their preferences for services and other aspects of local government activities.” In the region, the latest BVPI data (Figure 5) shows that in 46 out of 74 authorities, the average satisfaction of residents with opportunities for participation in decision-making is less than the national average of 28%, which is itself a very low figure. Members have an important role to play in improving community engagement. The White Paper highlights the role of councillors and emphasises the Community Call to Action as a means by which councillors can enable citizens to identify and solve their own problems. This is an area where a multi-agency approach is essential to success since a fragmented approach to engaging with citizens could lead to greater frustration rather than having the desired results.

2.5 Skills and Capacity

The changes affecting authorities are placing a great deal of strain on their most important resources – members and officers. People at all levels are being challenged to improve service outcomes whilst adopting new ways of working and increasing efficiency, all at the same time. In the SE, as elsewhere, there exists a gap between the current skills and capacity of authorities and what is needed to change and improve services to meet customer expectations. The Workforce Strategy, published in December 2007, states that: “Effective organisational development is about implementing large scale change programmes successfully, in a way that changes the organisational culture and practices from top to bottom”. Councils need excellent organisational development and change management skills to positively engage their staff in developing new structures and ways of working.”

Important areas where skills gaps exist include:

- Greater dependence of service delivery on effective partnerships between authorities and the private sector means that most authorities need to develop new skills in market intelligence, market shaping and market management
- New partnership performance framework means that members and officers have to work within new governance structures and build new relationships quickly and effectively
- Need to transform organisations requires the necessary leadership skills amongst members and officers to take authorities through periods where there is a lot of uncertainty and pressure without there being an adverse effect on service delivery.

As a high performing and diverse region we have many examples where authorities are rising effectively to the new challenges through the skills and determination of the members and officers using specific toolkits and practice developed by the sector. We will continue to foster this innovation and to learn from successes (and sometimes failures) in order to build skills and capacity elsewhere.

2.6 Financial Challenges

The challenges described in the previous sections mean that authorities in the region must find funds to invest in their services but this is proving to be very difficult since, in the CSR07 settlement, 53 of the 74 councils in the region are at the funding floor set by central government in 2008/9. The average increase in formula grant for authorities in the region for this coming financial year is just 2.5%, compared with a national average of 3.6%. As Figure 6 shows, the formula grant per head of population is lower in the SE than any other region.

The impact of the settlement will require all SE authorities to look very closely at efficiencies and how they can be delivered. The authorities have already performed very well against the Gershon efficiency targets, achieving £437m savings (of which £338m are cashable) up to the end of 06/07. This exceeds the £425m target for the whole of the SR04 period and is above the average for the country. However, these achievements, when set alongside the funding squeeze, mean that achieving the required 3% per annum savings during SR07 will be particularly challenging for the region since many of the more accessible savings opportunities have already been capitalised upon.

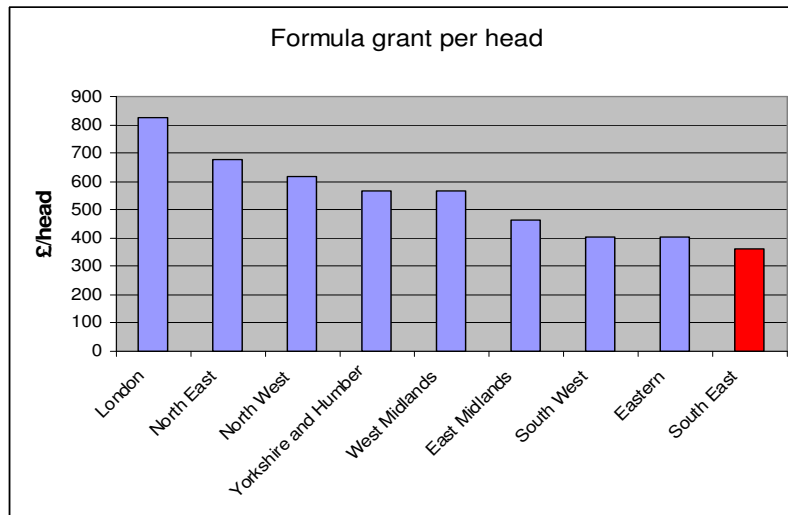


Figure 6 Formula grant per head by region

The latest AC scores for Use of Resources have been published and indicate that many authorities in the region have scope to further improve their financial management, which could release funds for service improvement. 20 local authorities and 2 FRAs have overall scores of 2 or less.

2.7 Building on our success

During SR04, the partnerships that now make up SEIEP have led the way in enabling authorities in the region to more effectively manage the markets for supply of critical services to local government. Not only have these projects yielded significant cashable savings, but they have also developed better commissioning skills amongst officers, built stronger relationships with private and voluntary sector suppliers and improved outcomes for citizens. Four prime examples of these successes are:

1. The SE Construction Partnership has created a framework for construction projects costing over £1 million for use by any public sector authority in the South East in order to achieve procurement efficiencies and share learning. Since its start in July 2006, sixty-five projects worth over £800 million have been allocated to the arrangement. The framework saves the time and cost of tendering projects, which is estimated to cost between £50,000 and £100,000 per project. On this basis, the framework has already delivered £5m in efficiency gains to the twenty-six participating authorities.
2. A costing model has been developed by the SE Social Care partnership to reduce costs and improve the quality of services for adults with learning difficulties. It provides a comprehensive breakdown of the costs of individual care packages and accommodation-related costs to enable care commissioners to strike fair and sustainable deals. Six of the 19 SE upper tier authorities are actively using the model and are finding that it generates an average 13% saving on the prices quoted by suppliers, yielding savings of over £3m to date.
3. The creation of the joint officer structure at Adur and Worthing councils is a new approach in corporate transformation. It provides an innovative model for local government delivery where a shared management structure has been created, one of the first of its kind in England. The benefits so far have been in releasing £580k cashable savings through the staff restructure (partly being reinvested in the change process), improving the support to the political infrastructure of each council and creating an environment to build joint delivery of shared services which will deliver 10% savings.
4. An interactive insurance workshop was held for the Sussex authorities in March 2007 on the opportunities for collaboration on insurance procurement. As a result, three councils – Arun, Hastings and Crawley, approached the insurance market with a consolidated insurance requirement. They were able to secure a significant reduction in insurance premiums with a total cashable saving of £2million over 3 years.

Also during SR04, the partnerships that now make up SEIEP have effectively built the capacity of officers and members within the region to deal effectively with the upcoming challenges of delivering

LAAs/MAAs and the new CAA assessment, where effective partnership working will be the key to success. Important examples of this include:

- Development of a best practice approach to 2-tier working led by the Buckinghamshire 2-Tier Pathfinder, supported by the regional Corporate Transformation Partnership
- Successful capacity building programme for Local Strategic Partnerships (LSPs), led by Progress through Partnership.
- Successful member development and community engagement programmes implemented by Milton Keynes, Oxfordshire and Buckinghamshire Partnership and Surrey Improvement Partnership.

Further details of successes during SR04 can be found in the Annexe to the strategy.

3 Our Approach

The SE is the top performing region but there are significant gaps between the highest performers and the poorest. Our vision for improvement and efficiency is that all SE authorities will:

- Provide the leadership that enables greater local prosperity and environmental sustainability with strong neighbourhood leadership in their communities
- Have capacity to realise their goals by working collaboratively to tackle and resolve issues
- Deliver improved, more efficient and responsive services to the public, who will be more engaged with their local service providers
- Better understand and engage with the diverse communities they serve
- Turn innovation into the norm rather than an additional activity, driving efficient and effective service delivery mechanisms
- Collaborate instinctively, unrestricted by geography, history or service area.

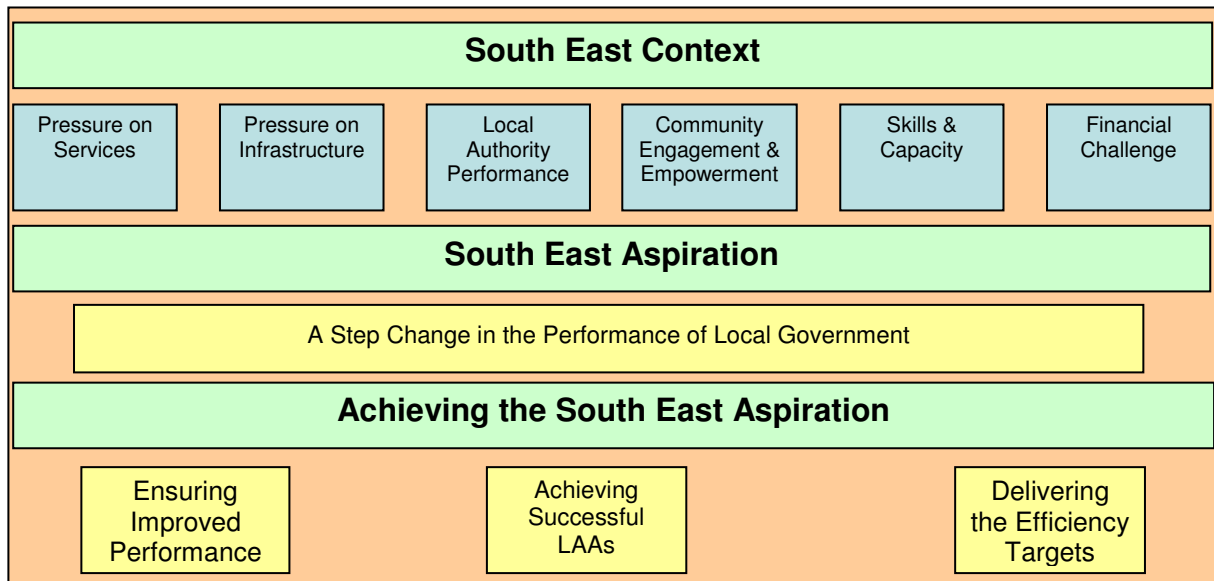


Figure 7 South East strategic priorities in context

Our aspiration is to make a step change in the performance of local government within the region. We wish to take performance to a new level and to close the gap between the poorest performers and the best. To achieve this step change in performance we will create the conditions in which successful LAAs, significant improvements and more efficiency gains can be achieved in parallel by developing support actions for each of these areas. In addition to creating the conditions for success, where there are priorities for the region as a whole, SEIEP will lead programmes of innovation working with other improvement partners as appropriate to gain maximum outputs and real savings in service delivery.

The regional context (section 2) provides a complex and challenging backdrop within which to achieve our ambitions of moving from competence to excellence across the region. Figure 7 shows the aspiration of SEIEP aligned to the regional context. Each aspect of this impacts upon the priorities in terms of our drive for improvement, the need to strengthen LAAs and the opportunities for and threats to efficiency gain. In particular, the financial constraints on SE authorities present a major challenge. Combined with the number of authorities in the region (20% of local authorities are in the SE region),

this makes the roll out of projects to deliver improvement and efficiency more complex and substantial than any other region. We will continually strive to achieve the maximum possible return on government investment through improvement, strengthened LAAs and cash releasing efficiency gains. SEIEP aims to excel in delivering against this challenging background and to be recognised as the:

- Best source of valuable knowledge and information for authorities and their partners
- First point of contact and a valuable source of support for improvement, LAAs and efficiency plus leading on innovation whilst delivering a clear return on investment
- Link between local authorities and central and regional partners
- Effective third party critical friend to authorities.

3.1 How the strategy has been developed

This strategy is based on a robust analysis of need across the region, using both data and consultation to develop the way forward. Each of the existing improvement and efficiency partnerships, both local and regional, were asked to develop a set of priorities and programme ideas, based on consultation with their stakeholders and analysis of their geographical area or theme. The size of the region and number of stakeholders has made the development of the strategy a challenging process to coordinate. It was necessary to start developing the strategy in June 2007, some months prior to the publication of the NIES. The result is that the strategic priorities can truly be said to have been developed based on local need and strong evidence with rigorous consultation.

A regional SEIEP conference was held on 30th November 2007 in order to bring together ideas from across the region and to start to identify the key areas of this strategy. Through this overall assessment of the region, together with a review of national policy and guidance, a set of regional strategic priorities has been identified which best describe the areas of focus for SEIEP. From December 2007 to February 2008, the regional strategy has been developed. This has been based upon the priorities identified bottom-up through the plans and programmes. The strategy has been enhanced through working closely with IDeA, GO, AC and SEE. Draft versions of the strategy have been shared with the LGA and the CLG and have also been placed on SEIEP's website as part of the consultation process. Comprehensive plans and work programmes linked to our key aims have been developed to underpin delivery of this strategy which will be closely monitored and evaluated.

3.2 Priorities

As stated, SEIEP has three key priorities for focused support: **Ensuring Improved Performance. Achieving Successful LAAs and Delivering the Efficiency Targets** This section explores each of these interdependent areas and how priorities have been identified. A fourth underlying priority for SEIEP is to continue to have robust project management and programme quality assurance in order to achieve key objectives and delivering measurable outcomes.

3.2.1 Ensuring Improved Performance

There is a large gap between the poorest and best performers in the region. Currently there are three weak LAAs plus one poor and one weak FRA. In the region we have a tradition of strong co-ordinated support to poor and weak authorities and these authorities have had structured improvement programmes including: member and managerial leadership; tailored development modules; peer support; visits to other authorities; and bespoke assistance. All these authorities have benefited from an IDeA peer review or have one planned prior to seeking CPA re-categorisation. There are a significant number of authorities with CPA fair rating and some that appear to be coasting who will need individual help to move towards a higher competence. Although analysis of results for single tier LAAs shows steady improvement with no authorities designated as 0 or 1 star, the cultural change needed for LAAs poses fresh challenges. Specific service issues in the SE to be tackled are:

- Adult Social Care: CSCI ratings reduced in 4 authorities, 4 authorities at 1*; and statutory improvements being sought in moving to new models of service delivery
- Children's Social Care: Two councils have Children's Services Ofsted Grade 2 ratings for "overall effectiveness and capacity to improve"; and Statutory improvements being sought in new forms of service commissioning
- Waste Disposal: Statutory improvements being sought in moving to new forms of waste disposal; and cost of collection per head varies from £40 to £70 and %recycling is low
- Construction: high cost, long lead time and poor outcome quality of programs of construction work ranging from Decent Homes standard to Building Schools for the Future.

The approach we propose to take to ensure improved performance is in four distinct areas:

- Early problem identification and timely support
- Supporting collaborative working throughout the region
- Sharing learning and embedding best practice
- Creating environments where innovation is stimulated.

In the SE we have agreed a protocol for intelligence gathering to build the picture of performance across the region (See Annexe). We will use this intelligence to predict potential problems, such as those who face risks around member and officer leadership, capacity and significant change. Resources will be set aside for supporting councils and partnerships in difficulty. We will prepare plans for a variety of scenarios and use these so we are able to mobilise resources to where performance problems occur. Our role is to commission a range of assistance for critical issues and to develop internal capacity.

In line with CLG's policy of greater local accountability, our authorities aspire not only to improve their performance but also to show that the sector can deliver the necessary improvements and to do so with minimal central government intervention. This will require greater self-awareness and more widespread application of intra-sector support and organisational challenge to help authorities to respond to the evolving agenda. There is accepted best practice on how successful change is achieved such as peer reviews and we aim that this becomes the norm in the region. We plan that corporate peer reviews will be undertaken in all authorities every three years. Also, we will develop a programme of specific peer reviews to facilitate improvement in areas that require special attention.

We have had much success in collaborative working across authorities to increase capacity and to develop skills in this region. Approaches to promoting and securing working across organisational and geographical boundaries have been developed and these will be built upon. These include areas where there are significant challenges in resourcing such as planning, licensing, legal services and environment health.

Our approach to enabling improvement will promote authorities working with partners in effectively managing the transition to the new performance framework. Using the CAA pilot in Hampshire and Isle of Wight we will disseminate learning to help councils and partners in the region to deliver better outcomes from this. We will support members and officers to use their expertise to bridge gaps, to strengthen ways of joint working and to share best practice.

There are major opportunities for improved performance in corporate services and customer contact, as well as services such as social care, waste and construction. Many of the solutions to the issues raised have yet to be developed. Innovation will therefore be an essential platform for improvement. Significant improvements cannot be made without better community engagement, whether this is on corporate priorities or on particular issues or services. For example, there are important opportunities to ensure that buildings are designed with multiple community use in mind and to ensure that the building as completed meets the end users requirements. Here the region has developed leading edge skills in involving users and assessing the customer's satisfaction with completed buildings.

Sustainability is another priority area for improvement through innovation. Ultimately everything LAs do can support sustainability from reducing CO₂ emissions to making more sustainable communities. SEIEP will ensure its programmes tackle some of the barriers to sustainable development where the right support is not available from other agencies including environmental issues, transport and economic and neighbourhood renewal. Local government in the SE, and particularly those authorities on the grant floor, faces major financial pressures as the settlement is significantly below inflation for the markets from which services are procured. Since this external spend is over half of total expenditure this will put large pressures on performance in the short and long term future.

3.2.2 Achieving Successful Local Area Agreements

Support is being provided to authorities and their partners in developing the new LAAs. Reflecting some of the infrastructure and service issues detailed in section 2, there is a strong emphasis on sustainable communities within the LAA priorities. The four most popular priorities relating to sustainable communities are: number of affordable homes delivered (gross); net additional homes provided; access to services and facilities by public transport, walking and cycling; and per capita CO₂ emissions in the LA area.

Through an initial analysis of the 19 LAAs and the emerging themes we have identified four gaps in support: community empowerment; housing; workforce and improving skills; and families with complex needs (alcohol and drug abuse, domestic violence, worklessness, harm reduction and obesity). We will continue to analyse outputs as they emerge so we may plan actions for 2008 and then put into place structured programmes for following years, aligning resources with IDeA and GOSE. This strategy provides for greater coordination at a local level and builds on our work as a pilot region for the “Delivering Excellent LAAs” programme and our unique region-wide Local Strategic Partnerships (LSPs) support programme. Since community empowerment is a major theme of the NIES and longer term place-shaping ambitions will require strong local leadership, a key focus is to help members in their community leadership role. With LAAs yet to be finalised we plan to provide extensive support for the LAAs that emerge from the negotiation process and integrate this support with other evolving work areas. Our discussions to date suggest that we should provide LAA and LSP support programmes to:

- Strengthen the LA’s leadership role in the development and negotiation of the new LAA
- Increase and share understanding of the new LAA framework and the role of the LSP
- Enhance the skills, capacity and capability of LSPs by supporting networks to share good practice and innovation, providing bespoke development events and using peer support to review progress
- Develop members to play their full part in shaping and delivering local priorities in their area
- Assist two tier areas to develop the LAA and learn from the challenges to inform others
- Work directly with LSPs over a sustained period to develop capacity via our PtP programme.

Where appropriate, SEIEP will support programmes and projects that look to develop best practice in these kinds of areas and enable the LSPs aiming to address these priorities to benefit from each other’s work. Health and social care issues also feature prominently amongst the region’s LAA priorities and SEIEP will work closely with local authorities and health services to align projects to LAA targets in these areas.

3.2.3 Delivering the Efficiency Targets

Local authorities in this region aim to meet expectations to secure further cost savings in order to invest in better local services. The SE has a good story to tell for improving management of resources and service, corporate and multi organisational transformation. SEIEP will support authorities to deliver the required 3% per annum savings through a series of projects and programmes aligned to efficiency priorities. Efficiency gains for SR07 are expected from: Business Process Improvement (BPI, including collaboration) - 37%; Better Procurement - 57%; and Asset Management - 6%.

Efficiency gains from BPI will be delivered through transforming key service areas across the region. In addition whole organisation changes will be made in a selected number of nationally significant projects as a part of the Corporate Transformation theme. The work supporting the combined management structure and review of joint services for Adur and Worthing Councils and other innovative organisational delivery models will be used to inform our work in SR07. One of the greatest opportunities for collaboration is better two tier working. As well as being the cornerstone of response of the sector in the SE to reducing the complexity of local government this will be a major priority for efficiency in SR07. The two tier pathfinder in Buckinghamshire provides an excellent pioneering platform to lead ideas and practice. The Corporate Transformation partnership will make available tools and techniques to reduce the cost of change to those following the example of the Pathfinders.

Construction	Spend: £1.57 billion 36% of total external spend	Commodity, Goods and Services spend in top 4 areas = £1.38 billion
Corporate Services	Spend: £1.25 billion 35% of total spend	
Social Care	Spend: £0.98 billion 23% of total spend	
Waste	Spend: £0.43 billion 10% of total spend	
These four areas cover 98% of the total external spend in the South East of £4.30 billion		Total Commodity, Goods and Services spend = £1.42 billion (33% of all external spend)

Figure 8 External Spend of Local Authorities in the South East

Efficiency Gains from procurement will be delivered through the top five external spend areas of local authorities in the South East⁵. In SR04 significant work has been undertaken to understand the external spend of LAs, in coordination with other regions. We will continue this in SR07 and coordinate with other regions and central government through the OGC. As Figure 8 shows, 98% of the region's £4.3 billion annual external spend is covered by the 4 major service areas of construction, social care, waste management and corporate services. In each of these four areas, there is the opportunity to build on SR04 successes delivered by the Regional Centre of Excellence (RCE). The projects delivered by authorities collaborating with RCE partnerships have delivered £21m worth of efficiency savings to date. Inflation in the cost of provision of these services is running in excess of 6%. Social Care costs are set to double by 2012 without a fundamental shift in the nature of these services. Similarly, waste disposal costs are doubling with the move away from landfill. The actual cost of buildings construction is 10% more than planned, equivalent to £157m of cost overrun per annum.

The fifth efficiency priority focussed on improving value for money is Smarter Commodity Procurement. Commodities account for 33% of external spend and hold the greatest opportunities for quick wins. When commodity procurement is well managed in a collaborative manner across the region a 10% reduction in cost should be possible, equivalent to 1.5% of total local authority budgets. Conversely, poorly managed commodities can lead to an equivalent increase to local authority budgets. This priority is focussed on enabling authorities to get better value when purchasing the commodity goods and services that make up £1.4 billion of annual spend. Again there are successes to build on from SR04 with the work of the Commodity Goods and Services Partnership and the new strategy will be to continue these and develop sustainable procurement solutions.

3.2.4 Bringing together LAAs, Improvement and Efficiency

LAAs are of critical importance, not just in delivering to local communities but to the new relationship between central and local government. Approaches are being developed by LAs and their partners to align budgets, improve financial management and gain better performance. Working with GO and IDeA we have completed analysis of the emerging LAA priorities in the region. We have combined that analysis with evidence of efficiency opportunities and critical performance issues to create the ten delivery themes where investment and support will be required to meet the aspirations of SEIEP:

- Performance Improvement
- Capacity Building
- LAAs and LSPs
- Community Engagement
- Sustainable Communities
- Adult Social Care and Services for Children
- Corporate Transformation
- Waste Resource Management
- Construction and Asset Management
- Commodity Procurement.

Performance Improvement will be at the heart of SEIEP's approach to tackling underperformance whilst also providing access to support for any authority wishing to make a step change in service delivery. This will be supported by the theme of Capacity Building, which will look at developing the skills of members and officers such that performance can be continuously improved, year on year, without requiring outside support. The theme of LAAs and LSPs encompasses support for innovative projects, aimed at meeting some of the targets of common interest to the region as well as immediate for support for the development of LAAs themselves. The theme of Community Engagement will support the engagement with and the implementation of LAAs whilst Sustainable Communities will pick up on some of the major LAA target areas that affect local communities including economic development and neighbourhood renewal. Adult Social Care and Children's Services and also Waste Resource Management have emerged from assessment of LAA priorities, authority spend and performance issues. These are areas where changes to service delivery will address all three of SEIEP strategic priorities. Corporate Transformation, Construction and Asset Management and Commodity Procurement are critical to delivering substantial efficiency savings and addressing key workforce issues to support the improved delivery of services. Plans for projects within all these areas will need to be reviewed as LAA targets are finalised to ensure the maximum return on investment for the funds deployed. Given the status of LAA development we expect the LAA target review to inform the detailed implementation of the strategy from year 2 of SR07.

⁵ The baseline in the VfM Strategy excludes schools and Fire Authorities.

3.3 Ensuring delivery

To meet the particular challenge posed by the size and diversity of the region SEIEP is organised to support regionally on particular themes and locally through groups of authorities as set out in Figure 9. This has proved to work well and will be critical to delivering the regional strategy by harnessing the scale and expertise available in the region as a whole. In planning and executing its role SEIEP will: be member led and have local ownership; take an evidence based approach; harness innovation and improve benefits realisation; and foster a culture of collaboration and open communication.

3.3.1 Member led and local ownership

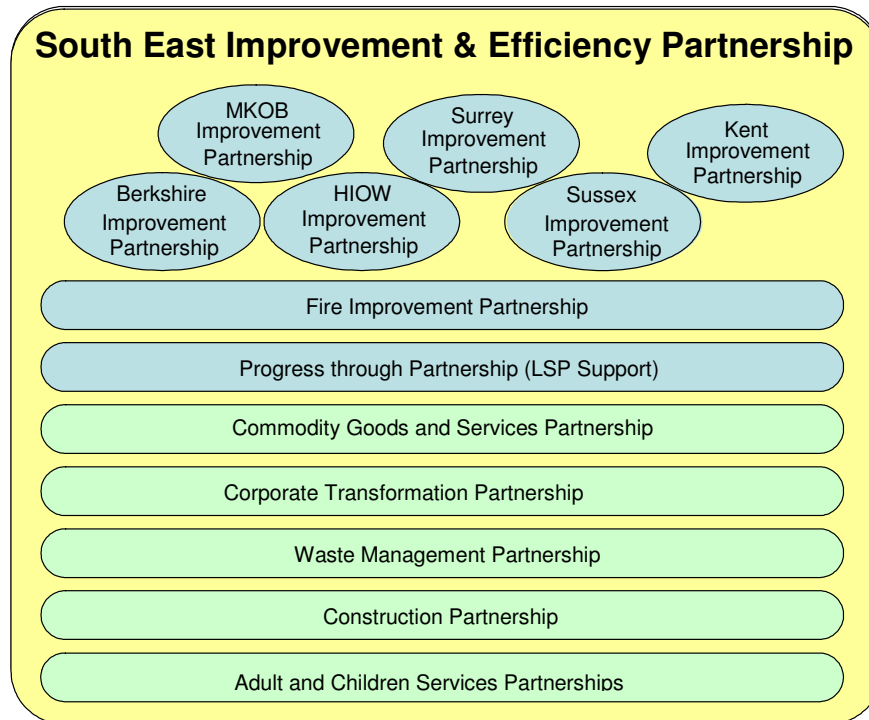


Figure 9 The make up of SEIEP

SEIEP is committed to a member led governance structure. It has an elected Member Board that ensures strong member leadership which promotes ownership of the strategy by all members in the region. Each of the subregional and thematic partnerships that make up SEIEP has one elected member represented on the Board (see Annexe for current board membership and terms of reference). In addition, IDeA, GO and SEE act as advisors to the Board and attend Board meetings. The Board is accountable for the successful implementation of this strategy. A full strategy review will take place annually with the proposed amendments submitted to LGA and CLG.

As well as a representative on the Member Board, all sub-regional and thematic partnerships have a nominated lead Chief Executive and panels made up of senior officers and members plus representatives of relevant partner organisations. This provides each partnership responsible for delivering elements of the strategy with the required scrutiny and challenge. A Secretariat has been appointed and is responsible for planning, organising and facilitating board meetings. Also as part of its role the Secretariat: coordinates all monitoring and reporting; quality assures the programme and benefits delivery; commissions on behalf of the Board including performance support; and ensures that the reporting requirements of LGA and CLG as well as those of the SEIEP are met.

The six sub-regional partnerships are created from groups of authorities originally established by the Government Office. These partnerships are governed collectively by all the authorities in that sub-region. Each has a lead member and their own governance arrangements to ensure the involvement of all the leaders and Chief Executives in their respective sub-regions.

Of the seven themed partnerships, two are focussed on improvement. These are the Fire Improvement Partnership (FIP) and Progress through Partnership (PtP). The five remaining themed partnerships have developed from the need to deliver significant efficiency gains (Figure 8). Whilst delivering efficiencies they will also address the associated improvement issues, in particular workforce development, and they strongly relate to a number of the regional LAA priorities. Each of

the themed partnerships has a Member sponsor who links to a network of the relevant cabinet members in the region. The themed partnerships also have a sponsor Chief Executive who leads a steering group and links to the relevant professional groups in the region. The Chief Executives Group established by the RCE continues to have a role in coordinating the regional themed partnerships and ensuring the maximum possible return on investment is achieved.

Support for improvement in FRAs is important in the SE. The FIP, currently the only such regional partnership in the country, links effectively with other organisations who support the FRAs ensuring that support is provided in a coordinated, joined up fashion. Accountability is to the SE's Regional Management Board which comprises of all FRAs in the region. Supporting the development of strong LSPs is a regional priority to gain better local outcomes. PtP enables a focus on supporting the LSPs in the region, particularly in terms of building their capacity. The Annexe to this document contains details of the governance arrangements and past successes of each of the SEIEP sub partnerships.

A new programme will be created within SEIEP to coordinate the regional elements of the Performance Improvement programme. This programme will be commissioned by the Board and coordinated by the Board's Improvement Adviser (IDeA Regional Associate) supported by the Secretariat and in collaboration with GO, AC and SEE. The programme will be allocated ring fenced funding that can be drawn down by the sub regional and Fire Improvement Partnerships, in order to improve performance in target areas.

3.3.2 Evidence based approach

SEIEP will ensure that the priorities of the partnership and the plans for action are firmly based upon evidence of the priorities for the region. We will ensure that we evidence our performance (see 3.3.3) in relation to delivery of LAAs, efficiency and improvement and uses this to review SEIEP priorities. Furthermore, as part of embedding innovative practice across the region it will ensure that evidence from innovation activities is used to identify and rollout step changes to delivery of LAA outcomes, efficiency gains and improvement.

We have developed through our programmes significant evidence about the improvement and efficiency of local government and the delivery of local outcomes. This baselines local government's current status and can be used to measure the impact of different approaches to improvement, efficiency and local outcomes. Much of this evidence is unique. SEIEP commits to coordinating and gathering this evidence with other regions so it is collected in a way that builds a national picture. We will support closer working with the LGA to develop policy and with IDeA to support the development of high quality national programmes.

There are many challenges for the region over the next three years. It is essential that the SEIEP concentrates on those areas of LAA development, efficiency and improvement where it can add the most value. It is also critical that, once an area has been identified, SEIEP is clear about the role that it can undertake. In some cases this will be limited to signposting information and support whilst in other areas it will be the roll out of innovative practice taking local government in the SE to new levels of excellence. SEIEP believes that this focus will ensure the best use of its resources and the best return on the investment in SEIEP for authorities in the region.

3.3.3 Innovation and benefits realisation

The SE has a good record in innovation and it is a strength that we wish to build on and enhance. However we recognise that unless implementation is supported the benefits identified by innovations will be lost. Not all activities will lead to innovative developments and we will consider which of these innovations will be supported for roll out across the region. SEIEP therefore commits to: stimulating innovation linked to regional priorities; identifying innovations within the region and nationally linked to regional priorities; embedding innovation as standard practice within authorities; sharing lessons learned from innovation; and stimulating the roll out of the innovations with the most impact.

In developing projects and programmes to support innovation we accept that some projects will not realise the predicted benefits and that some activities will fail. Where benefits do not accrue to projects SEIEP commits to learning the lessons from this and sharing them for the benefit of others. We will manage the programmes and projects it is responsible for in a professional manner and where necessary close down those projects and programmes. SEIEP commits to capitalise on the successes to date in the SE and in other regions. As the programme progresses SEIEP will annually review successes and ensure the resources for rollout (through scaling up or repetition) are available for those innovations with the maximum impact in the highest priority areas.

The nine RIPs and the nine RCEs have delivered a number of innovative projects during SR04. In order that the return on this investment is maximised the SEIEP will build on those projects that have demonstrated the ability to deliver benefits in developing LAAs, delivering significant efficiency savings or delivering significant improvement. We will ensure that there is no unnecessary duplication of effort within our activities. Where a project is delivered in one part of the region we will ensure that the results are available to others. Where a procurement is conducted to deliver the results we will ensure that it is open to all authorities in the region and, if applicable, to other regions.

We place strong emphasis on project management and programme quality assurance in order to achieve our key objectives and deliver measurable outcomes. SEIEP is accountable to authorities and central government for how its resources are utilised and the benefits it realises from the deployment of resources. We will continually improve the realisation of improvement and efficiency benefits from partnership activities and the means by which these are monitored and evidenced. SEIEP is already required to report spend versus budget, progress versus milestones and actual versus expected outcomes, both at project and programme level. The Secretariat has a quality assurance role to ensure that the information contained within these reports is consistent and accurate and also that all parts of SEIEP are adopting the agreed best practice approach to project and programme management. A network of programme managers has been established to share knowledge and lessons learned. This group will implement the quality assurance processes required by the LGA, CLG and the SEIEP Board for the programme and ensure that the benefits and impact of all projects can be successfully measured. Regular meetings of this group are coordinated by the Secretariat.

3.3.4 Culture of collaboration and open communication

We will foster a culture of collaboration between authorities within the region at the local and regional level. Authorities benefiting from the resources delivered through SEIEP will need to make a commitment to this collaboration. We will be proactive in linking to improvement and efficiency partnerships in other regions seeking to implement the lessons learned across the country in our region and also to offer support to other regions where the SE has important outcomes to share.

SEIEP will collaborate with other regions on key themes of national significance. We aim to create a simple dialogue with LGA, CLG and other government departments on these key themes. Where SEIEP has the expertise and has the agreement of other regions, SEIEP will lead the coordination of key themes. Where another region has the expertise SEIEP will support their coordination of a key national theme. We will seek to collaborate across the public sector looking for opportunities to work with the Police, Schools and Health as well as with Government Departments.

Clear communication to all authorities, their partner organisations and the individuals working in those organisations is essential. The Secretariat will lead the communications and marketing effort, building awareness of SEIEP within the region and communicating effectively at a national level. This will include delivery of the overall communication strategy, maintenance of the website, regular newsletters for authority officers and members, feeding into national RIEP communications activity and hosting of an annual improvement and efficiency conference.

We will ensure that our monthly monitoring of projects continues, sharing reports online within the partnership and with other regions. We will report annually to authorities and both quarterly and annually to the LGA /Government /Chief Executives Task Group governance structure, accounting for the distribution and use of funding, progress against priorities, and return on investment and providing reassurance that the standards specified in the NIES are exceeded and that all stakeholders are delighted by SEIEP's performance. Since resources will be focussed on supporting innovation and efficiency as a means of delivering better outcomes for citizens, SEIEP will specifically report on progress against efficiency targets and on the success of innovation to promote collaboration.

The partnership will manage the risks to delivery and benefits realisation of all projects and programmes. In addition it will monitor and manage the overarching risks to the partnership as a whole. An initial risk register has been created and is contained in the Annexe.

One of the main ambitions of SEIEP is to ensure that the support provided to struggling authorities on improvement and efficiency is well coordinated. The coordination will be led by the Improvement Adviser to the Board, the IDeA Regional Associate, supported by the Secretariat. The Annexe explains how each of the major partner organisations will coordinate with SEIEP.

4 What We Will Achieve

SEIEP will proactively use performance information and 'shared intelligence' to inform and to support sector led performance improvement. Where there are concerns about significant challenges and performance in authorities, partnership support will be an integral part of our response. Such support may include: bespoke programmes; peer support/challenge; mentoring; and collaborative work.

4.1 Overarching Targets

Detailed measurement targets for year on year performance delivery are set out later in this section. However the following are the core overarching success measures for our regional strategy:

1. No CAA scores of "weak" (or its new equivalent) or less (currently 3 district authorities and 2 Fire and Rescue Authorities in this category)
2. Improving on the regional current position with 95% of authorities to have a minimum use of resources score of 3 or higher (or equivalent under CAA)
3. Sustained improved Children's and Adult Services performance assessments
4. No central government interventions required for poor performance
5. 50% of authorities signed up to achieving the Charter for Member Development
6. All local authorities have sector led corporate peer review every three years
7. All LAAs to be reaching projected milestones and targets
8. All authorities signed up to working to achieving equality standard level 3 within a realistic timeframe
9. Improved year on year customer satisfaction scores
10. Region achieving efficiency target of 3% pa savings with a balance of achievement between tiers of authorities
11. Delivery of a portfolio of projects that deliver a return on investment over 3 years of at least £5 of efficiency gains for every £1 invested by CLG
12. £250m worth of cashable efficiency savings to be made by authorities over 5 years as a result of SEIEP supported projects.

4.2 Performance Improvement

For local government to rise to the challenge of the new performance framework, the risk of authorities struggling to improve and falling behind needs to be addressed. Using individual, LAA and CAA performance assessment information in the SE there will be targeted activity where needed. Councils have signed up to sharing responsibility for individual and collective performance by monitoring, benchmarking and taking ownership of providing peer support to improve. Whilst there needs to be such an approach taken through local improvement plans there will be times when a greater level of focussed preventative and early intervention support to an individual authority is necessary.

The SEIEP Board has been proactive in dealing with this issue and has already commissioned a Performance Improvement Programme the outline of which is set out in the Annexe. Our approach for sharing information ensures that there is early identification of particular issues so we may develop options to lever in assistance. We will build a plan of action with authorities, in consultation with improvement partners, to galvanise early sector led response and to develop internal capacity for ongoing progress. SEIEP is working actively to mobilise political assistance to drive progress and will continue to capitalise on the use of peers working within individual and clusters of authorities. We recognise that the LGA plays a key role in providing political challenge, through the Improvement Board, to ensure that authorities utilise the support available.

We are engendering a culture of self-awareness and openness to challenge by supporting self-assessment and regular peer reviews for all authorities. Built into our plans is capitalising on the CAA pilot (Hampshire and Isle of Wight) to exploit learning to help councils and partners. To achieve maintaining high level of performance it will be important to support those authorities who wish to move to 'par excellence' in a way that they act as pathfinders for others and share learning with the sector. The new CAA regime will lead to significant recalibration of performance measures and so we will ensure that we are ready to respond to the outcomes of the first assessments.

Our capacity for greater collaborative working as a means to both managing specific issues and increasing innovation has been strengthened over the last three years. In SR04 we have delivered new programmes of strategic development across clusters of authorities using both political and senior officer support to focus on longer term ambitions for localities. Such programmes have used individual

and team assessments, developmental events and competence frameworks to challenge progress and to look at new ways of how specific services are delivered e.g. planning and building control. We plan to continue and expand this to promote smarter ways of working. By using skills within the sector to understand local needs, develop thinking and promote new approaches we are underpinning transformation of how services are commissioned, delivered and managed at a local level.

The sub-regional partnerships have built into their plans activity to strengthen authorities in key areas such as: leadership and change management; member and officer development; mentoring, buddying and coaching schemes; knowledge and advice on best practice where most needed; and efficiency programmes to reduce financial burdens and improve use of resources. Encouraging use of good practice is a fundamental part of our approach and this will be through talent management, supported networks, skill sharing, learning exchanges and other proven methods.

The Supporting Evidence for Local Delivery report concluded that “there is a significant gap between current analytical capacity and that required for successful delivery of LAAs/LSPs” and also that “much time in partnerships is absorbed in sourcing data, sorting out data quality issues, and performance reporting”. SEIEP will provide data analysis capacity and coordinate data gathering and sharing such that LAs are able to use evidence effectively and achieve a minimum standard on data gathering.

Outcomes

- Councils sharing responsibility for individual and collective performance by monitoring, benchmarking and taking ownership of providing peer support to improve
- New multi-agency group bringing together IDeA, GO, SEE, AC and the SEIEP to share intelligence on performance in a confidential environment aimed at prevention
- Council self assessments and regular three yearly peer reviews which result in supported action programmes
- Responsive, practical and coordinated support provided to authorities who need help to improve performance or face particular challenge by increasing use of sector capacity and expertise
- Strengthening of collaborative approaches to delivering and transforming services
- A co-ordinated intelligence database accessible to all members and officers enabling benchmarking of performance and signposting support and solutions.

Funding Allocation = £3.8m (or 15% of total)

4.3 Capacity Building

The pace of change in local government over the next few years will place ever greater demands on members and officers. An important role of SEIEP is to coordinate activity that will equip members and officers to deal with these challenges. Our aim is to join up demand and share knowledge of the effectiveness of different capacity building options. The focus will be on developing the skills of officers and members for developing stronger partnerships and sharing expertise. We will promote solutions for skills development and sharing that increase the overall benefits and reduce costs and identify solutions to skills shortages such as Planning Officers. Where appropriate, SEIEP will seek to engage with IDeA and 4Ps to ensure that authorities are offered a joined up set of capacity building options making the most of each organisation's areas of expertise and the frameworks for knowledge transfer they have developed. By enabling the exchange of skills, knowledge and best practice the capacity of the individual, organisation and partnerships is increased.

We are guided by the Workforce Strategy to focus on the following priorities:

- **Leadership development:** building visionary and ambitious leadership which makes the best use of both the political and managerial role, operating in a partnership context
- **Organisational development:** effectively building workforce support for new structures and new ways of working to deliver citizen-focused and efficient services, in partnership
- **Skill development:** developing employees' skills and knowledge in an innovative, high performance and multi-agency context including growing skills where there are gaps e.g. complex programme management.

The emphasis within this capacity building activity will be on innovation giving members and officers the skills to innovate within their organisations and to learn to translate the outcomes from innovation elsewhere into changes for councils and partners. There will be strong links to the Performance Improvement Programme so that the capacity building activity is targeted in areas where the work can be linked to future improved authority performance.

Outcomes

- Improved skills amongst officers and members through commissioning and delivery of training courses that focus on improving skills in leadership, change management and innovation
- Effective identification of organisational development needs through reviews of job/organisational cultures and performance management systems
- Increased capacity and performance through: better project and programme management strategic challenge member/officer events; talent management systems; cross organisational succession planning; new coaching and mentoring networks; and use of e-learning tools
- Reduced learning curve for new members through better member induction programmes
- Improved procurement and commissioning skills within authorities
- Members achieving their political aspirations supported by coherent organisational development programmes to deliver priorities (peer reviews, development/ adaptations of review mechanisms, training/conferences and provision of a secondment scheme).

Funding Allocation = £1.5m (or 6% of total)

4.4 LAAs and LSPs

We have developed a programme of support for LAAs and LSPs that will provide:

- Action learning and shared networks to build capacity for partnerships to flourish
- Peer challenge and assistance with targeted support in response to particular difficulties
- Member and officer skills development on empowerment, engagement and commissioning
- Web based information and toolkits for creating excellent LAAs/LSPs
- Provision of capacity to authorities for response to CAA, utilising the learning from the CAA pilot.
- An innovation fund available to local projects aimed at implementing new approaches to delivery of LAA targets, which have potential for rollout across the region.

We will use online and on site support for service specific and cross cutting LAA improvement targets. Our approach will include developing a shared information base to promote effective use of data and tools. We will promote national programmes of work from the LG, IDeA, Leadership Centre and the AC which include libraries of innovation, knowledge banks and support programmes on delivering LAAs and LSPs. Self-assessments will form the basis for identification of future areas of provision and we will support learning exchanges to share developments. LSPs will be a continued specific area of focus given their critical role in achieving LAAs. We have established a peer led high profile programme, PtP, which provides region-wide capacity for LSPs to support members, partners and practitioners. We have built on intelligence from the self-assessments completed by over 80% of LSPs in the region and are targeting support in the following areas:

- Governance: developing relevant governance and standards protocols with clear accountability to stakeholders and local people plus shared risk management systems
- Vision and strategy: translating priorities into robust, aligned Sustainable Community Strategies
- Leadership: training for leading partnership working e.g. making difficult and sustained decisions
- Performance management: aligning performance management for the Community Strategy, LAA and Local Delivery Framework taking into account neighbourhood dimensions
- Delivery and impact: use of performance information to evaluate impact and ensure real benefits
- Alignment: taking into account national and regional targets e.g. South East Plan.

A communications infrastructure and a practitioner associate network, including members and partners, have been set up and we will further develop and draw on these. As part of developing confidence we intend to support authorities to gain better influencing and persuading skills to engage in new partnerships or to negotiate revised partnerships, with emphasis on how to work together to achieve common goals and priorities. We will develop themed learning support for common issues and assistance where clusters of LSPs are working on delivery in two tier area. We will facilitate greater cross boundary collaboration to aid Multi-Area Agreements (MAAs). There will be specific local support for innovative collaboration activity to share learning and roll out results. This will be achieved via an innovation fund, available to local partnerships to support projects whose aim is to meet LAA targets via new and entrepreneurial approaches to service delivery. To qualify for this funding, the project benefits must link to an LAA target that is shared across at least a third of the region's LAAs.

Outcomes

- Successful LAA/LSP/MAA delivery with changed practice to deliver local people's priorities
- Increased corporate and partnership LAA/LSP leadership and capacity

- Joint learning and project development for LAs and partners in the private and voluntary sector
- Partnership working capability strengthened through learning and development
- Innovative partnerships with strengthened skills, understanding and capacity
- At least six exemplar projects demonstrating an innovative approach to meeting LAA targets, with recommendations for rollout regionally and, if appropriate, nationally.

Funding Allocation = £2.8m (or 11% of total)

4.5 Community Engagement

Our approach supports LAAs and LSPs being better informed on local needs and priorities linking to informed Sustainable Community Strategies (SCSs). Key to this is better provision of information to citizens and involving users in shaping service delivery. The practice of community engagement and participation is best carried out at a local or sub-local level. We recognise that appropriate approaches will differ from area to area, even within authorities, and that there is no practical rationale for front-line action to be coordinated at a regional level. However, there is a valuable role for SEIEP to play in coordinating work, sharing best practice, and building common foundations on which local, tailored approaches can be built. The two community empowerment champion areas in the SE are Portsmouth and Brighton and SEIEP will support their efforts to extend best practice across the region. We will take partnership work forward by extending the role of voluntary and private sectors in terms of community engagement, neighbourhood capacity building and localism. SEIEP will partner with organisations such as the Neighbourhood Training and Resource Centres who have a proven track record of developing best practice for community engagement.

Outcomes

- Development and extension of innovative community engagement and empowerment activities e.g. coordinated neighbourhood and warden activity and networks of authorities involved
- Learning exchanges established within and between communities
- Integrated model for neighbourhood engagement and consultation involving key LSP partners including a toolkit for use by South East authorities, including templates for legal agreements, community contracts, advertising, terms of reference etc.
- Successful Participatory Budgeting trials and Joint Partnership Neighbourhood Panels
- Improved authority web sites providing better quality information and communication with residents
- Tested web and other technological innovations that can improve citizen access to council services and promote interactivity.

Funding Allocation = £0.7m (or 3% of total)

4.6 Sustainable Communities

In this area SEIEP will focus efforts where it can have the most impact and where common issues are being faced. In the SE much work is being driven forward to implement and mainstream carbon reduction to tackle the growing impact on our communities. We will continue to use practical and specific approaches that are being developed and indeed piloted by authorities in the region to:

- Motivate and gain commitment from LAs, partners and citizens to combat climate change
- Align climate change actions to Sustainable Community Strategies and LAAs
- Use purchasing power to ensure resources are efficient and compliant
- Establish baselines to quantify and limit energy consumption
- Work in collaboration to develop positive community initiatives for waste management
- Promote sustainable development through local planning frameworks.

There will be support for work on carbon footprint reduction strategies to help authorities lead the way on climate change. We will ensure that outcomes and learning from these and other related activities are shared effectively. Further activities will be developed based on a more thorough analysis of LAA outcomes in the SE. In different parts of the region, with a view to rollout to other areas, SEIEP will support strategic reviews of transport services and spatial planning at a sub level, building on the regional plans and strategies developed. This work will align to Treasury's sub-national economic development and regeneration review and help pave the way for an integrated regional strategy.

Outcomes

- Better understanding of the major economic, employment and environmental challenges being faced in the longer term by enhanced joint working between public, private and community sectors
- Local research to understand employment sectors and their future challenges and implications for sustaining prosperity
- Local research into matching skills needs to demand
- Pilot measures for the economic cost of congestion
- Pilot comprehensive measurement of authorities' carbon footprints and development of strategies and action plans to reduce each council's overall impact
- Strategic transport studies at subregional level.

Funding Allocation = £1.0m (or 4% of total)

4.7 Adult Social Care and Services for Children

The latest performance ratings for Adult Social Services in England show that in the SE three LAs have one star and "uncertain prospects for improvement". Social Care is the second largest spend category for Local Government and accounts for in excess of £2bn per annum in the SE alone. Significant demographic change means that authorities will be required to deliver efficiencies within a context of increased demand. This will need the emergence of new models of service delivery; new routes to market and potential new market entrants. There is also a major shift in policy towards the personalisation of care provision, whereby a service user is treated as the customer of a care service with the right to choice and control over the service or goods in question. SEIEP will aim to support authorities through this transition by sharing best practice and lessons learned as well as developing technology solutions that deliver process efficiencies and improve customer choice and control. Standard tools for monitoring and controlling costs of care provision will receive support as will innovative collaborative projects across LAs and Primary Care Trusts.

In the 2007 round of Annual Performance Assessments (APAs) and Joint Area Reviews (JARs), no local authority in the SE received an 'inadequate' judgement for any aspect of performance which is an improvement on 2006 when two authorities were in 'intervention' (one for education, the other children's social care). However, no authority received an 'excellent' judgement (grade 4) for 'local authority children's services' and only six grade 4s were awarded. Two councils have Children's Services Ofsted Grade 2 ratings for "overall effectiveness and capacity to improve". Whilst the majority of services are judged to be 'good' there is clearly room for further improvement as identified by APA and JAR criteria and SEIEP with other improvement partners are looking at new ways of working together to develop appropriate responses of assistance.

Children and young people aged between 0 and 19 years comprise 24.4% of the total SE population which is the largest number in absolute terms compared nationally. Whilst the region is relatively affluent, 21% of children in the SE live in poverty (20% nationally).

Working within the framework of the NIES, SEIEP is working with IDeA and GO to establish a more preventative approach for those LAs who face particular challenges in delivering high quality Children's Services. We are progressing discussions on how best SEIEP may align assistance with the GO and Field Forces to invest support. It is planned that case studies will be developed to share learning linking to the work that is being taken forward at a national level to engage a greater regional focus to peer led support working with two key objectives of improved service outcomes and reduction in central intervention activity. Alongside work for overall improvement we will continue to support Children and Young People's Member and Officer Networks. Such networks are helping to move forward discussions on targeting resources and sharing expertise.

As part of our Performance Improvement and Capacity Building programmes, as outlined earlier, we will fund preventative support as part of a package of help at a corporate and service level. This will include a broad range of targeted activities including skills development and peer work to provide specialised professional support, mentoring and coaching to embed self improvement. SEIEP is engaging with existing regional networks in children's services to apply purchasing techniques that have already yielded significant gains in adult social care. The aim of these collaborations is to leverage efficiency and improve the quality of care services and associated goods and equipment. Programmes will be developed in coordination with the SE Health Joint Improvement Partnership to ensure a more joined up approach. Through our LAA programme areas of particular focus for Children and Young People will be agreed and prioritised. All work will be assessed in terms of improved performance assessment.

Outcomes

- 13-15% unit cost savings per residential placement, worth an estimated £150m, through use of toolkits by LAs
- Lessening the predicted impacts of rising social care costs and building an infrastructure which supports new approaches to service delivery by providing a platform for purchasing new types of care services and putting the service user in control of commissioning their own care.
- Preventative support programmes as part of a package of help at corporate and service levels
- £61.5m savings on costs of adult (after transition at age 16-25) residential care placements through better and consistent understanding of children's placement costs and requirements and better management of transition
- Better integration of national, regional and local support in Children's Services with growth of peer support across clusters of LAs targeted for improvements
- Supported member and officer networks for Adult and Children's Services in the region.

Funding Allocation = £3.6m (or 14% of total)

4.8 Corporate Transformation

Over the last few years, the appetite among authorities in the SE for developing shared services and collaborative partnerships has increased dramatically. Service transformation, even within a single council, can be an expensive and lengthy process. We have made a strong commitment to develop enhanced two tier working as a means to deliver improved services for residents and to make a major contribution to efficiency savings. SEIEP will accelerate a selection of collaborative LA cluster projects of national significance including the Bucks Pathfinder Programme. Support will be provided in the form of project management resource, specialist advice, access to value for money consultancy and sharing of practice. Corporate transformation has a role in improving recruitment and retention, implementing new resourcing models to address key occupational skill shortages and diversity issues.

Not all authority performance improvement can be delivered through collaboration. In certain circumstances, where authorities have identified an area where they want to improve, the aim is to provide them with the tools and skills to make that improvement themselves. CLG's Value for Money report states that "good practice BPI analysis can be expected to contribute to efficiencies of some £1.8 billion by 2010-11". Hence we plan to provide structured support to authorities that wish to improve in certain areas, maximising the use of best practice BPI (Business Process Improvement) techniques and ensuring that the learnings contribute to capacity building within those authorities and across the region. SEIEP will ensure that these activities are closely linked into the National Programme for Process Improvement and take advantage of the learning and toolkits already created.

One of the key areas for LA collaboration is the transformation of the customer's experience of contacting the public service, as David Varney argued in "Service Transformation: A better service for citizens and businesses, a better deal for the taxpayer". In local government, this means coordinating customer contact across organisations that provide local services, especially between the different tiers of local authority and where appropriate, providing joined up services designed around the needs of the citizen. We will support authorities wishing to develop and rollout innovative customer service strategies. In terms of service transformation, insight into customer needs and measurement of customer satisfaction are key strategic tools. The LGA and Cabinet Offices' work on this will form a foundation to taking this forward to enable an evidenced improved customer experience.

Outcomes

- Nationally significant collaboration models for two tier working, and other LA partnerships leading to 10% efficiency savings and service quality improvements and support for further developments
- A cohesive partnership support service for significant projects throughout the region, ensuring skills and knowledge transfer and reduction in use of external resources
- Increased skills within local government in Business Process Reengineering leading to process redesign, improved customer outcomes and savings of £1m per active partner
- Toolkits for service transformation enabling the development of skills for authority staff and cost avoidance through reduced use of external consultants
- Improving the customer experience through the rollout of single point of contact solutions for integrated customer support across all local public services
- Increased resilience in key services with capacity issues such as planning and building control through the implementation of new service models.

Funding Allocation = £4.6m (or 18% of total)

4.9 Waste Resource Management

The cost of waste management poses one of the most serious risks to local authority budgets over the next few years. Volumes of waste are increasing, the unit cost of waste collection is increasing and a combination of EU targets, landfill tax increases and lack of capacity means that disposal costs are also ramping up. Meanwhile, the public continues to demand service improvements: the performance by the SE Waste Disposal Authorities in the AC CPA system shows that for Environmental Services only just over a quarter were rated 4 star, the rest being 2 or 3 stars.

The region has led nationally on the process to develop a joint central local waste management strategy with DEFRA. In this strategy RIEPs have the following defined role:

1. To contribute towards the continuous improvement of procurement of waste collection contracts
2. To contribute towards the continuous improvement of procurement of goods and services
3. To strive for service delivery enhancement
4. To Improve skills, knowledge and awareness within councils
5. To deliver a seamless and coordinated source of support for improvement and efficiency to LAs.

18 authorities in the region will be procuring new waste collection contracts in the next four years. For many this is their largest contractual arrangement and SEIEP will help authorities make significant savings in the cost of procurement and look to manage the market in the region to deliver operational savings as well. SEIEP will provide support for a number of innovative waste management partnership projects and continue to manage the Waste Information Network, a finalist in the 2007 e-government national awards, and recognised as a leading example of local government knowledge sharing.

Outcomes

- 4 'cluster' partnerships of authorities supported to develop joint waste services, delivering £11m efficiencies and subsequent clusters making operational and back office savings of 5 - 15% per cluster
- 5% savings through enhanced market shaping including the establish of a regional waste collection framework and implementation of sustainable innovative waste management solutions
- £1m savings from the reduction in the increase in the cost of waste collection through use of standardised template documentation and procurement toolkits
- Performance improvement through research, skills development; knowledge transfer; effective use of external advice; and nationally significant innovation in waste resource management
- Partnerships achieving a reduction in procurement costs of up to 10% through e-tendering and avoiding duplication
- £4m saving through reducing carbon footprint for waste collection through optimisation of routes, moving to sustainable vehicle fleets and improved driving skills

Funding Allocation = £1.5m (or 6% of total)

4.10 Construction and Asset Management

Buildings construction is by far the biggest area of external spend among SE local authorities. This has been fuelled by major capital expenditure programmes such as Buildings Schools for the Future. Hence reductions in construction costs can make a significant contribution to achieving CSR07 savings targets for the region. SEIEP will provide funding over the next 3 years for the establishment and maintenance of various levels of framework contract that provide low cost access to value for money providers of construction and associated consultancy services. These programmes will also be an important way of enabling authorities to effectively use their limited capital budgets to deal with infrastructure issues, by delivering construction projects on quickly and with a high standard of build.

Highways is the other important area of construction and maintenance activity with a high level of spend across the region. SEIEP will develop specific projects in the area of Highways and Transportation that will deliver demonstrable efficiencies and look at the quality of service, particularly in areas where there is major congestion. The work will marry with the NIES principles for authorities to work with other public service providers, by strengthening ties with the Highways Agency to improve on work started, and expand the scope.

We will also look to make best use of local authority and consultancy staff, reduce waste, spread best practice, and provide specific arrangements for authorities to use. This will enable the redistribution of staff to front line activities to improve public services.

Many authorities are reviewing their asset portfolios with regards to making efficiency savings and reducing CO₂ emissions. There is also the issue of whether current facilities support the move to ever more flexible working arrangements. Better asset management is highlighted in CLG's 'Delivering Value for Money in Local Government' report as providing significant opportunities for savings. SEIEP will allocate funding to developing shared resources and better advice for implementation of better asset management.

Outcomes

- Reduction in buildings expenditure by reducing cost overruns from 10% to less than 1%, reducing the costs of procurement by £75K for spot purchased large buildings, and saving £83m through targeted support
- Up to £18m savings through reduced procurement costs and better value for money from specialist consultants
- An overall reduction on the total spend on buildings and maintenance and the smarter use of premises to accommodate new ways of working
- £10m savings from prioritisation of resources relating to asset management and shared buildings and asset management services between authorities in the same geographic area
- Common highways asset management strategies and highways professional development
- Regional and sub regional frameworks for highways consultancy and construction incorporating a consistent approach to highways supply chain engagement to eliminate lengthy and expensive pre-contract negotiations leading to savings of 10%.

Funding Allocation = £3.6m (or 14% of total)

4.11 Commodity Procurement

For the region, 3% per annum means approximately £440m worth of savings. Hence, SEIEP will devote substantial resources to helping authorities get better value for money when procuring goods and services. Development of procurement hubs will be a priority, enabling smaller authorities to work together to gain the economies of scale in terms of resource and buying power that are enjoyed by larger authorities. Vital information sharing tools such as the regional contracts database and the best deals service will receive continued support, saving duplication of effort and procurement costs for all authorities and improving the quality of advice received. With support from SE based buying consortia and through continued capacity building activity, SEIEP will seek to boost the ability of local authorities to manage and shape the markets for key goods and services. Access to strategic procurement training; better communication of value for money opportunities and support in the collection and analysis of spend data are additional ways in which we can support authorities. Importantly, SEIEP will aim to ensure that the benefits of the procurement programmes extend beyond LAs and FRAs. Where appropriate, learnings and outputs will be shared with the health sector, police authorities and voluntary sector so that efficiencies are generated for all public service suppliers.

Outcomes

- Increased capacity for strategic procurement and £2m annual efficiency savings by stimulating procurement hubs
- £65m savings through sharing knowledge of and stimulating use of best available contracts for all spend areas and enhanced ability of local authority procurement to self improve. This will include £5m efficiencies in legal services and £10m in insurance
- Comprehensive region wide contracts and opportunities database resulting in £20m savings via reuse of existing contracts and reduced procurement costs
- Comprehensive regional database of external spend within local authorities
- Eight exemplar councils for sustainable procurement to share experience and expertise
- £28m of commonly occurring construction commodities and materials yielding up to 30% saving.

Funding Allocation = £2.3m (or 9% of total)

4.12 Funding Breakdown

The total funding requirement for implementation of this strategy is £26.6m made up of £25.4m for programme delivery and £1.2m for managing the partnership. As described in the previous section, the summary of the funding required for each of the key themes of this strategy is set out in Table 1 as follows:

Strategic Priority	Funding Allocation (£m)
Performance Improvement	3.8
Capacity Building	1.5
LAA's and LSP's	2.8
Community Engagement	0.7
Sustainable Communities	1.0
Adult Social Care and Services for Children	3.6
Corporate Transformation	4.6
Waste Resource Management	1.5
Construction and Asset Management	3.6
Commodity Procurement	2.3
Total	25.4

Table 1 Allocation of resources to Strategic Priorities

In order to enable the successful functioning of SEIEP, further funding is required to support the administration of the partnership as set out in Table 1 below.

Resource	Estimated 3 year cost
Senior officer time to facilitate SEIEP Board, engage with other regional partnerships and central government	£390,000
Senior officer time to ensure quality of programme and project management and manage reporting and monitoring	£300,000
Communication and marketing costs	£300,000
IT Infrastructure costs	£90,000
Administration support	£120,000
Total	£1,200,000

Table 2 Allocation of resources to support the partnership