



The Chartered Institute of Housing

HOUSING 2011 CONFERENCE



Housing 2011 Session Information

Can one Chief Executive really run three LAs?

The current economic climate and swingeing cuts to local authority budgets mean that we need to rethink what services are delivered and exactly who is best placed to deliver them. Working collaboratively and sharing services across local authorities is one approach but can this really work, what are the challenges, what are the opportunities and can this approach really offer the efficiencies needed? This session will work through some of the arguments for and against this approach.

KEY FACTS

- **£26.5 billion** of efficiency savings were made across the public sector during the Spending Review period 2004-7.
- The coalition government's deficit reduction programme aims to reduce the deficit by **£128bn** in the next five years.
- The 2010 Spending Review announced **£83 billion** of public sector spending cuts to 2015.
- There will be a **26%** funding reduction for local government over 4 years.



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BACKGROUND

The drive for efficiency savings in the public sector is not new. Sir Peter Gershon's Public Sector Efficiency Review in 2004 assessed how the sector could work more efficiently by doing more for less, working collaboratively and raising productivity.

The commercial sector has increasingly used shared service models over the last decade as a method of enhancing the efficiency of their corporate support functions, such as finance, human resources, information technology and procurement.

At a time where local authorities face major challenges in protecting frontline services while also dealing with budget cuts and spending restraints, the opportunity to share services and work collaboratively are more important than ever.

There are a range of benefits that can be realised from the operation of shared services, for example:

- recruitment and retention of skilled staff
- improved investment and innovation opportunities
- access to better technologies, business processes, and management skills resulting in improvements to service quality
- access to specialist staff.

There can also be challenges to taking this approach, for example:

- cultural differences and approach between different organisations
- political differences
- loss of local identity and presence
- streamlining of powers and governance arrangements
- HR issues including staffing and pensions.

Ultimately, there isn't a quick fix, but over the last 2-3 years, there have been a range of shared service arrangements springing up – both in relation to the delivery of “back office” functions and frontline services.

OTHER INFORMATION

Example of shared services/joint venture in Somerset:
www.southwestone.co.uk

A briefing on the size scope and efficiencies of housing associations
<http://www.cih.org/policy/IsBigBest.pdf>

Local Government Improvement and Development: webpage on shared services and collaboration
<http://www.idea.gov.uk/idk/core/page.do?pageId=6210975>

CIPIFA Sharing the gain: collaborating for cost effectiveness
http://www.cipfa.org.uk/sharingthegain/download/Shared_Services_ReportFINAL.pdf

This is a Pact session

Developing the Housing Pact 2011 – Our commitment to deliver the best possible outcomes for communities



Building on the successes of the 2010 Pact, we will:

- Identify the priorities we want local and national government to address
- Make commitments to specific housing practice

Through four main themes which reflect the challenges and opportunities being faced:

- The housing advantage
- New ways of working
- Setting our own course
- Money

To be presented to the Housing Minister at the end of the conference.

Be part of the session, vote on the CIH Stand, or tweet to [#housing2011](https://twitter.com/housing2011).



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