

# Evaluation of the Productivity Experts Programme

- **Local Government Association**

FINAL REPORT

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### 1 Context and purpose of the evaluation

The Local Government Association (LGA) is the national voice of local government, working with councils to 'support, promote and improve local government'. The LGA aims to influence and shape the political agenda on those issues that matter most to local councils, and to help deliver effective and sustainable solutions to national problems.

The Productivity Experts Programme provides an opportunity for councils to access expertise that will provide them with the skills they need to deliver ambitious efficiency savings and income generation proposals, within the context of significant reductions in central government funding over recent years. The programme was launched in 2012, and offers bespoke support, brokered by the LGA, on a specific project or initiative. The LGA also provides £6,000 grant funding towards this support for each project. Councils are able to bid for support at any time during the year, and the number of councils that have been involved continues to grow.

At the point that the research was undertaken, a total of 48 projects (involving around 69 councils) had been funded. It should be noted that since the research, the LGA has funded a larger number of projects which were beyond the scope of this evaluation. The aim is that a nominated 'Productivity Expert' will provide input to help achieve the objectives relating to a specific project, as well as offering transferable skills and knowledge that can support each council's wider productivity and efficiency agenda.

With this in mind, the aims of this evaluation were to:

- provide a robust evidence base to support the continued running of the Productivity Experts Programme
- identify the fiscal and non-fiscal impacts of the Productivity Experts and the projects that they supported
- identify common themes of support requested by councils and provide a commentary on skills gaps and learning for others, and
- understand the contextual or other local factors that have contributed most to the successful transfer of skills and knowledge to local government in this area. This will help to shape how the programme operates in the future.

This report presents the findings of our evaluation and provides recommendations for further action. These actions focus on improving the quality of data collected about individual projects and their outcomes, and how learning could be shared more widely in the future. Through the research we have been able to identify a number of important trends and key findings which we hope will help to shape the programme in the future.

### 2 Approach and methodology

#### 2.1 Overview of our approach

In order to support the LGA to understand the impact of the Productivity Experts Programme, our work was designed around a number of key project phases, including:

- a document review of all of the Productivity Experts files
- a data collection exercise to gather information from projects
- a more detailed set of interviews with approximately 10 project representatives to gather a greater level of detail on their projects, and
- analysis and review of the information gathered.

The approach was designed to minimise the burden on participants in the evaluation and to ensure the highest completion rates possible.

## 2.2 Document review

The project began with a desk review of available documents about all past and ongoing Productivity Experts projects. This included the LGA's existing spreadsheet, as well as all additional information gathered in the project files. The existing data log captured the areas that projects had said they were interested in gaining skills and advice in as part of their initial enquiry.

One of the key stages within the document review was to begin the process of cleaning the data and creating a series of categories of potential skills and knowledge areas against which to indicate what the project was related to. These categories help to create a way of profiling projects and by which to evaluate the activities and outcomes of the programme at a later stage.

## 2.3 Data collection from sites

Following the completion of the desk based document review we began the design of a data collection tool in spreadsheet format to gather information from project sites directly. The tool was designed to be as straightforward as possible for projects to complete. The tool was pre-populated with data gathered in the initial phase of the research. This meant that councils largely needed to validate, update and fill any gaps rather than duplicate information they had already provided to the LGA. The tools also contained four additional general feedback questions to give sites an opportunity to feedback on their experiences of the programme overall.

Once the tool was developed this was piloted by two councils who both found the tool fairly straightforward to complete, although it was noted that there was some variation in the amount of time it took each of them to gather the necessary details. Following the successful pilot, a tailored version of the tool was sent to each project contact, complete with their local data. Screen shots from the data collection tool can be found in the appendix to this document.

A week after the launch of the data collection tool, we began telephone calls to the project contacts to ensure that the tool was received and to check whether additional support to complete the tool was required. Following an attempt to contact all project representatives, and several follow-up emails, it was agreed that an email from the LGA directly may carry more weight. At this stage respondents were given the option to either complete the data

collection tool, or to have a conversation with a member of the research team to give their feedback and help populate the gaps, rather than complete the tool itself. This secured a small number of additional data returns.

It quickly became apparent that it would be challenging to get the attention of the top-level council executives who are the main contact persons for the LGA. Even when it was possible to get in touch over the phone, and to secure the respondents' commitment in principle, the specific challenge for some of the older projects of reaching back to archived data made it difficult for executives to give us much of the requested information.

## **2.4 Interviews**

Although we developed a sampling framework and interview guide it became apparent that the seniority of those involved in the projects meant that securing engagement from these individuals would be challenging, both from a time perspective, and in terms of getting them to prioritise the research. As such, the LGA used their existing relationships to help encourage council engagement and it was agreed that a series of slightly shorter interviews would be undertaken. In total 6 interviews were undertaken, one of which was with a council who had already completed the data return. A list of those interviewed can be found in the appendices to this document.

## **2.5 Analysis and findings**

The final element of the evaluation involved the synthesis of the findings, as set out in this report, and the development of a data repository. The final analysis looked not just at the findings to date, but how more robust data collection and evaluation can be undertaken on a more ongoing basis in the future.

### 3 Overall impressions and key findings

#### 3.1 Overall impressions from the evaluation process

There were a number of issues that emerged during this evaluation and which impacted on our coverage and the breadth of results:

- The **response rate** from councils was over **50** per cent of those we were able to contact<sup>1</sup>. Given the time elapsed since some projects had completed their work, this can be considered to be a good response rate. It was not possible to make contact with all councils, particularly some of the early projects because the key contacts had moved on and there was not always someone else in post who could provide information on the work the expert had been involved in.

**Standards of documentation and reporting** vary from one council to another. Some councils clearly have greater capacity to produce case studies and progress reports than others. In some cases neither case studies nor progress reports have been produced or documented or reports do not contain relevant and concise information, and mainly mirror the motivations and aims set out in the introductory documents. To some extent, this is due to the open nature of the programme, where tangible results do not necessarily emerge during reportable timeframes. On the other hand, some councils have been able to report progress and produce case studies to high standards. It should be noted that some of the research questions we were asked to investigate were not areas the LGA routinely ask councils to provide information on as part of the project initiation or project monitoring process for this programme which may account for some of the difficulty in councils responding.

- The evaluation team had **difficulty identifying and then contacting the responsible officer** in a number of the councils. The team made direct telephone contact with the councils that had not provided information for the evaluation, and in some cases the direct contact helped identify key project participants who, in turn, were able to respond to our request.
- The current strain on council resources makes it difficult for individual organisations to **allocate time to participate in an evaluation for a programme**, especially if this involves accessing archived data or providing considered responses to questions they had not previously been asked to report on.

#### 3.2 Summary of findings

The following table summarises the key findings against each of the research outcomes within the scope of this evaluation.

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<sup>1</sup> Note that it was not possible to make contact with all councils, particularly projects that happened some time before because the key contacts had moved on and there was not always someone else in post who could provide information on the work the expert had been involved in.

Research outcome area	Key finding(s)
<p><i>How has the support requested changed over the duration of the programme?</i></p>	<p>The nature of updating the data on the projects mean that it has been more challenging to access data on the older projects, and therefore difficult to establish in detail, the extent to which the nature of the support requested has evolved over time.</p> <p>The main reason councils contacted the LGA for support was in relation to commercialisation. There has been a growth in the level of councils approaching the LGA for support with commercialisation over the last three years.</p>
<p><i>What financial impact has the programme had, as a result of improved productivity in local government?</i></p>	<p>The overall financial impact varies considerably due to the scope and ambition of each project. The programme has the potential to produce an important financial leverage, with some projects delivering multi-million-pound savings over the first one or two years.</p> <p>Over the 25 projects with actual savings and income data captured we estimate that the programme may have contributed to financial benefits in the vicinity of £133 million to local government. This is comprised of around £131 million in savings and £2 million in income generated. It should be noted that one council accounted for half of these savings with a total of £64 million estimated. If this project is excluded this equates to an average financial benefit of £2.9 million per project where data was available (or £5.3 million per project if it is included).</p> <p>It is not known the extent to which these savings would have been achieved without the input of the Productivity Expert, but it is likely that this would also vary substantially across projects.</p> <p>Councils have reported that the benefits have been achieved in a number of different ways. For some councils the financial benefits have been achieved through improving the performance of services, reducing the cost of processes and through better focus on the existing demand. For others, savings have been achieved through improved contractual terms / rates with the benefits in terms of negotiation extending well beyond the specific project they initially sought support for as the skills become embedded in the organisation.</p>
<p><i>What are the additional, non-fiscal benefits from the programme to date?</i></p>	<p>The programme enabled councils to exchange information across geographical borders. In some projects elected officials</p>

	<p>were among the beneficiaries of the Productivity Expert’s skills and experience.</p> <p>Other councils reported that networks were established as a result of the engagement of the Productivity Expert. For example, for one district council, the involvement of the LGA and the quality of the outputs meant that the county council became more engaged in the project, as did other local partners. This also supported the council to engage a local university in subsequent work, as its profile had been raised. It was also noted by some councils that the expert helped to develop relationships within the organisation itself.</p> <p>It was also reported that new ideas were generated as a result of the involvement of the Productivity Expert. While some of these linked directly to generating financial benefits, these also brought non-financial benefits.</p>
<p><i>What skills and expertise have Councils gained from working with a productivity expert, and in what circumstances is this most likely to be achieved?</i></p>	<p>Councils have regularly made use of the Productivity Experts programme to build skills in procurement, commercialisation and project management. One interviewee noted that the Expert’s input had fostered a cultural shift in the council leading to more collaboration with the third sector. The success rate, however, is varied, with commercialisation, contract renegotiation, governance, and developing new service delivery models having the most successful skills transfer. In some skill areas, less than half of the projects with identified skill needs were successful in developing these within the council. There is also no clear picture on the sustained effect of skill transfers. It should also be noted that this is only a small sample and some skill areas had only one or two projects.</p>

<p><i>What outcomes has the Productivity Expert directly helped to achieve for councils?</i></p>	<p>Savings and income generation, primarily through procurement expertise, commercialisation strategies, and changes to working practices within the council. As one respondent writes:</p> <p><i>'The work gave us a clear strategy going forward and built confidence amongst our staff.'</i></p>
<p><i>Based on the experiences of the projects to date, what is the key learning, including in relation to local context and other factors, for the future of the programme and the success of the wider productivity agenda in local government?</i></p>	<p>The review of procurement contracts continues to be a major source of savings, and a continuing area of demand for capacity building. More information about the real impact of commercialisation approaches is needed, along with mechanisms to exchange this learning with the wider sector.</p> <p>While many councils reported that they had successfully achieved financial and non-financial benefits from their involvement with the expert, there were a number of instances where the project was on hold, or that the achievements were not as great as it had been hoped or that the councils felt could have been achieved. Some of these related to challenges in relation to the specific expert, who it was not always felt had the right skills. For example, one council felt that whilst the expert had a good knowledge they presented an overly generic approach rather than being able to tailor their expertise to provide the specific support and training that the council needed. In another instance the expert identified a solution at the end of the project that they had already had been told was not an option at the outset of the project.</p> <p>Other barriers to successfully achieving the outcomes that projects had hoped to achieve related to internal limitations such as IT systems and buy-in from other stakeholders.</p> <p>Councils identified a range of success factors that they felt important to achieving the intended outcomes from the project. While some of these are for councils to deal with internally, the initial process of kicking off projects should help to ensure councils understand what they need to do to achieve the maximum benefit. In particular:</p> <ul style="list-style-type: none"> <li>• Identifying an appropriate and suitable expert who can tailor their service to the brief. The projects which are on-hold or where they have struggled to achieve the outcomes they hoped, appear to report that they felt the expert was not as well matched or did not have quite the skills councils had hoped for.</li> <li>• Clarity of objectives and sharing these with staff. It was noted that the amount of funding available is not realistically going to be sufficient to cover all of the</li> </ul>

expert advice needed for a large project, but it provides some help. It is therefore essential that it is clear what is to be achieved from the funding.

- Empowering all tiers of staff to take ownership for helping to redesign processes and systems
- Being willing to take on board the critical challenge the expert provides to current practices and be prepared to embrace their learning and best practice in the areas where you are seeking their support.

Two specific barriers were identified by some councils:

- Some councils felt that the level of paperwork and reporting was disproportionate to the level of investment received
- For some it felt like the focus was on short-term/ instant savings or efficiencies, while some projects will take years to realise significant savings or 'profit'. Whilst it was not clear on the precise reasons why they felt this, it is thought that this is likely to be related to the reporting structure, rather than due to specific LGA pressures.

**Table 1: Summary of findings**

## 4 Project profiles

### 4.1 Status of projects at time of research

The table below shows the status of projects at the time the research took place, as could be best determined from the documentation available and the responses to the research.

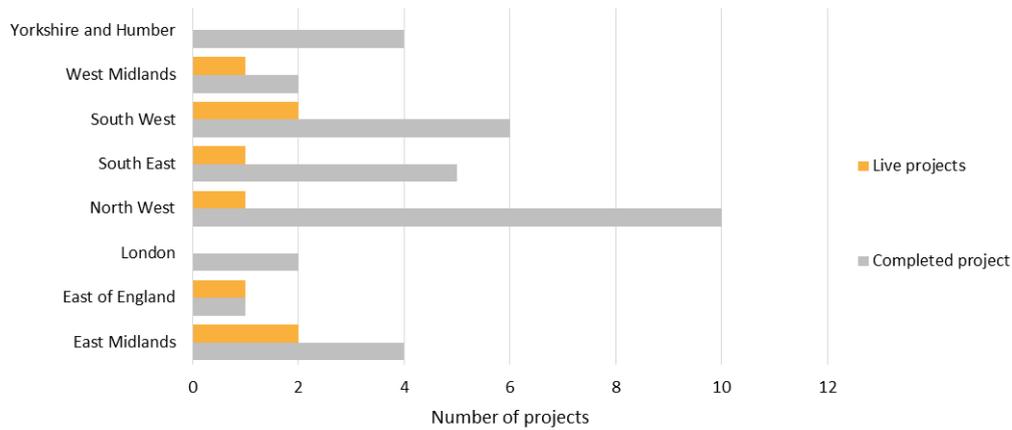
Project status	Count	Percentage
Enquiry	3	6%
Live	8	16%
Complete	34	67%
On-hold	4	8%
Terminated early	2	4%
<b>Total</b>	<b>51</b>	<b>100%</b>

**Table 2: Project status at time of research**

### 4.2 Regional and council type breakdown

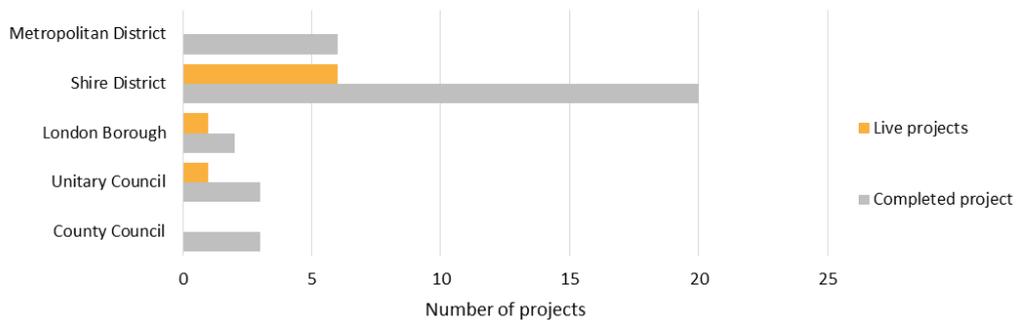
Across these projects we explored the regions that the councils were based in to understand the spread of engagement with the programme. The chart below shows the proportion that have progressed to a completed project (grey), and the number of live projects (orange) against each region. Since the programme began, higher levels of projects

have come from the North West, with the South West and South East the next highest. London and the West Midlands have the lowest, along with the East of England. To date there have been no projects in the North East.



**Figure 1: Regional breakdown of project status**

The majority of the projects funded have been shire district councils, with metropolitan districts the second most common.



**Figure 2: Breakdown of projects by council type**

The chart below shows that the total number of projects has grown over time but that the proportion of each council type has remained fairly consistent, with the exception of metropolitan districts in the current year. It should be noted that the data for 2015/16 is based on a dataset taken before the end of the year.

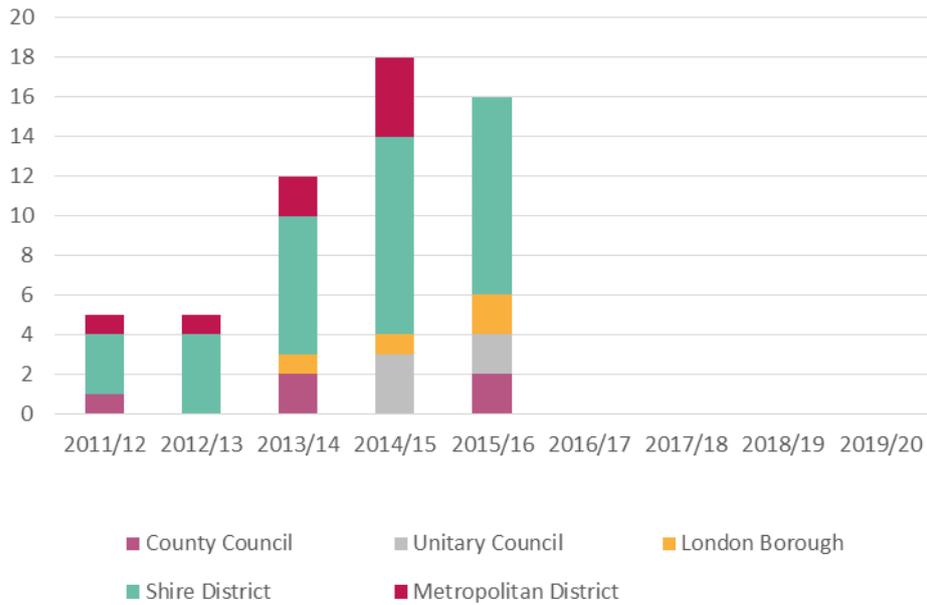


Figure 3: Breakdown by council type over time

### 4.3 Reason for support

The chart below shows the number of requests for support during the programme by the main area that they sought expert support in.

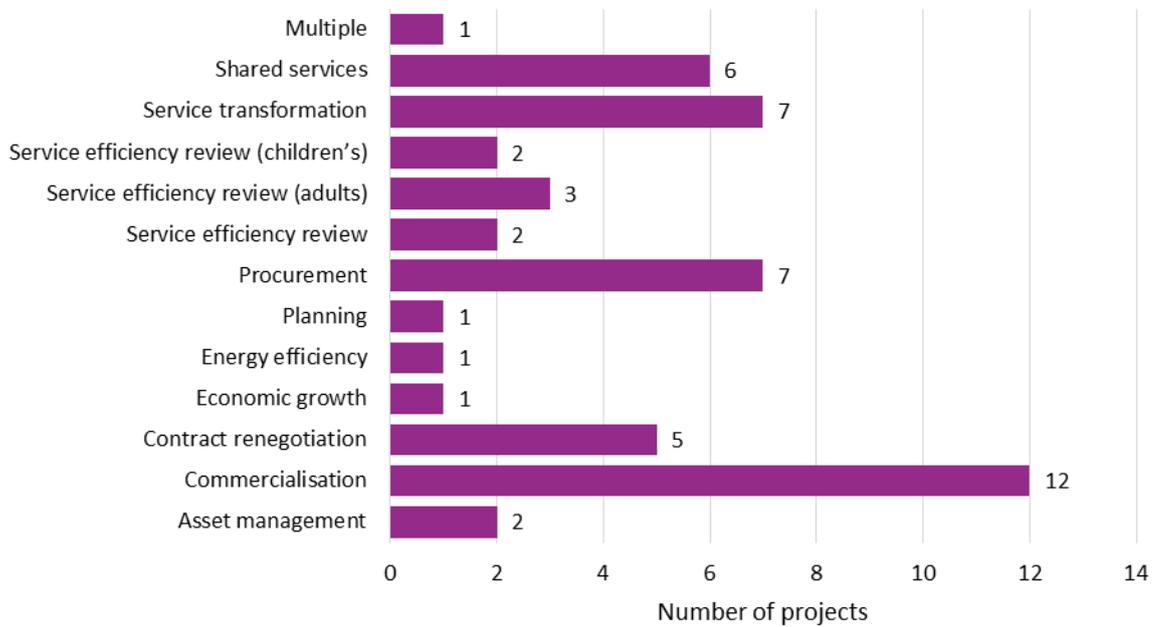


Figure 4: Breakdown of projects by initial support type requested

The chart above shows that commercialisation support was most commonly requested. This was followed by service transformation and procurement support.

The chart below shows the proportion of support types requested each year. When looking at the changing profile below, it becomes apparent that commercialisation has become more commonly requested since 2013/14.

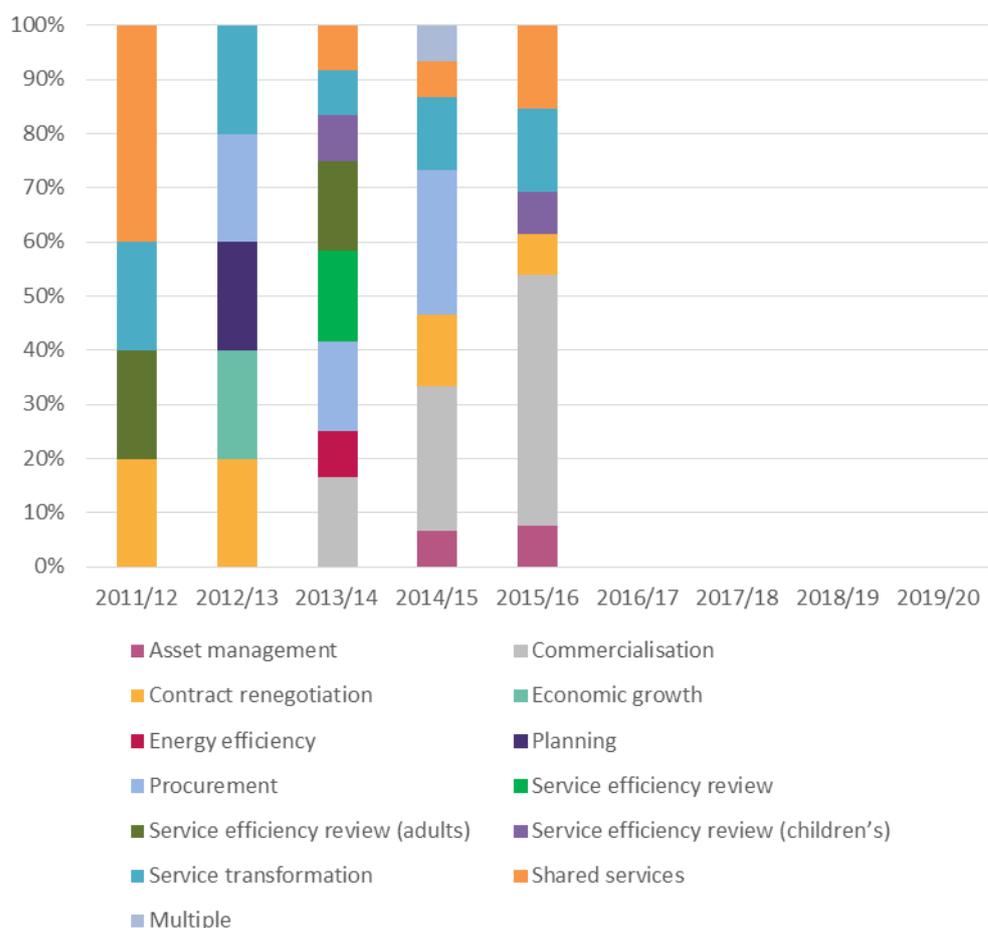
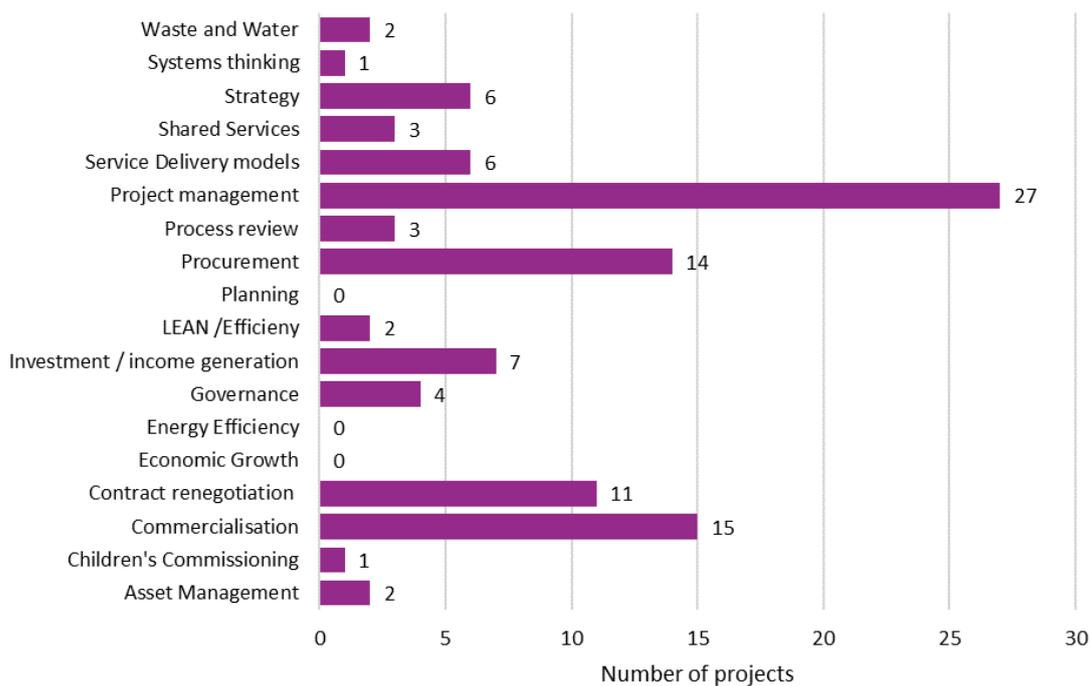


Figure 5: Breakdown of projects by initial support type requested and time

#### 4.4 Skills development

In addition to the primary reason the support was requested, the research was also interested in the broader skills that councils were interested in acquiring, as well as the extent to which these skills were transferred to the councils as part of the project.

As is demonstrated in the chart below, project management skills, commercialisation, procurement and contract negotiation were the skill areas with the greatest level of demand. The high levels for commercialisation and procurement are not surprising given this was the reason the support was requested for many councils. The high level of demand for project management skills is likely to be related more to having an individual in place to with the time and focus on driving the project rather than because the councils specifically felt they were lacking project management skills.



**Figure 6: Breakdown of skills per project number**

The list of possible skill areas was sent out to sites as part of the data collection exercise to provide a more nuanced overview not only of the skills required, but to the extent to which the respondents felt that these skills had been transferred over the course of the project – regardless of whether they were identified as being needed at the outset. The table to the below shows the count of responses for the councils who provided completed returns with information on the skills developed. This shows the skill areas which were considered to be needed most, and the extent to which these skills had been transferred. Councils could indicate that they had developed skills, even if this wasn't part of the initial ambition of the project.

The data from the completed responses shows that commercialisation was rated as one of the most important skill areas. The most commonly noted skill area was commercialisation, with all but one council indicating that this skill was needed. Sixty percent of councils felt that skills in this area had been transferred as a result of their involvement with the Productivity Expert. In one case, the contact with the expert introduced the council to a University department, and the initial contact has evolved into an ongoing partnership.

The level to which commercialisation was identified as a skill area suggests that this may be a slightly more important area than was identified within the initial project profiling. Where the skills have been successfully transferred, one of the respondents noted the breadth of changes required within the organisation:

*'Changing the mindset of staff [...] The perception of "this is beyond the day job" instead of thinking this is now part of my day job. Accepting risk and managing it. [...] Having a clear strategy; continual messages; staff engagement; sharing results.'*

Skill area	Needed	Developed	Rate of transfer
Asset Management	1	1	100%
Children's Commissioning	1	0	0%
Commercialisation	10	6	60%
Contract renegotiation	4	3	75%
Economic Growth	0	0	NA
Energy Efficiency	0	0	NA
Governance	3	4	133%
Investment / income generation	5	2	40%
LEAN	1	0	0%
Planning	0	0	NA
Procurement	6	3	50%
Process review	2	2	100%
Project management	6	3	50%
Service Delivery models	4	3	75%
Shared Services	1	1	100%
Strategy	1	2	200%
Waste and Water	1	1	100%

**Table 3: Success in skill transfer**

## 5 Financial savings and income generation

Data on savings is challenging to analyse because of the varying timescales over which councils report savings / income generated as a result of the programme, and the way in which these figures are calculated. For example, some report savings as a percentage of the total costs of a programme, which without more detailed information, is difficult to attribute any actual savings.

Additionally, some councils report annual savings whereas others report ongoing savings. In the data return councils were asked to provide details of predicted savings, the actual savings achieved and any further savings predicted. Finally, councils struggle to identify the extent to which savings could be attributed to having the expert in place and what might have been achieved anyway. One of the interviewees stated that savings of £100,000 over two years had been achieved through the Expert-led process, although they felt the contractor would probably dispute that this came out of the renegotiation.

While many councils were able to report the savings or income they anticipated making, it was not always possible (or data was not available) to help quantify the actual savings achieved. As one of the respondents explained:

*'A situation like ours will take years to realise significant savings or 'profit'.'*

Given the difficulties outlined above, in order to draw together the savings and income generated it was necessary to make a number of assumptions to support the calculations. In particular, in the figures below it should be noted that the savings values may be understated for some areas where councils have quoted annual savings figures but not been able to say over how many years, as a single annual figure has been taken as the total savings.

Over the 25 projects with actual savings and income data captured, the total financial value of the projects supported by the LGA funding is £133,168,568. Of the total value, around 2 per cent was considered to be the result of income generation, with the remaining generated through savings. These figures are considerably in excess of the average savings and income target / initial estimate projects made at the initial scoping phase. A summary of these figures with a more detailed breakdown can be found in the table below. It should be noted that the number of councils these figures are based on varies depending on whether councils were able to provide useable figures in relation to each category. In particular, most councils provided quantifiable savings / income targets but some were only able to provide data on the actual savings achieved.

	Total			Number of councils based on
	Savings	Income	Overall benefit	
Target	£23,435,000	£400,000	£23,835,000	32
Achieved	£41,800,278	£216,000	£42,016,278	17
Expected future	£89,302,290	£1,850,000	£91,152,290	14
<b>Total expected savings (Achieved + expected)</b>	<b>£131,102,568</b>	<b>£2,066,000</b>	<b>£133,168,568</b>	<b>25</b>

**Table 4: Overview of savings and income generation**

It should be noted that one council accounted for half of these savings with a total of £64 million estimated. If this project is excluded this equates to an average financial benefit of £2.9 million per project where data was available (or £5.3 million per project if it is included).

As confirmed actual data was not available for all councils, we also explored the savings that could have been achieved for those councils where the actual and expected savings are not known, if those councils achieved the target savings. Filling in these gaps over the 38 completed projects suggests that the total overall benefit which the projects have contributed to totals over £141 million. The table below shows this in more detail.

	Total			Number of councils based on
	Savings	Income	Overall benefit	
<b>Total expected savings (Achieved + expected)</b>	<b>£139,155,568</b>	<b>£2,166,000</b>	<b>£141,321,568</b>	<b>38</b>

**Table 5: Overview of savings and income generation**

The table below shows a breakdown of the savings and income generated based on the type of council (or type of lead council where more than one was involved). Over half of the councils funded were shire districts, which on average have generated lower savings (an average of £910,500 per project) than those projects undertaken in metropolitan districts or county councils. The metropolitan district contains the project with the total value of £64 million, and without this, the county councils have experienced the highest average savings per project.

	Total				Average		
	Savings	Income	Overall benefit	Number of councils based on	Savings	Income	Average benefit
<b>Target</b>							
County Council	£335,000	£0	£335,000	1	£335,000	£0	£335,000
Unitary Council	£478,000	£0	£478,000	2	£239,000	£0	£239,000
London Borough	£7,300,000	£0	£7,300,000	3	£2,433,333	£0	£2,433,333
Shire District	£10,007,000	£400,000	£10,407,000	20	£555,944	£200,000	£520,350
Metropolitan District	£5,315,000	£0	£5,315,000	6	£885,833	£0	£885,833
<b>Achieved</b>							
County Council	£1,400,000	£0	£1,400,000	1	£1,400,000	£0	£1,400,000
Unitary Council	£0	£55,000	£55,000	1	£0	£55,000	£55,000
London Borough	£425,278	£0	£425,278	1	£425,278	£0	£425,278
Shire District	£3,395,000	£0	£3,395,000	9	£377,222	£0	£377,222
Metropolitan District	£36,580,000	£161,000	£36,741,000	5	£7,316,000	£161,000	£7,348,200
<b>Expected future</b>							
County Council	£43,000,000	£0	£43,000,000	2	£21,500,000	£0	£21,500,000
Unitary Council	£0	£100,000	£100,000	1	£0	£100,000	£100,000
London Borough	£0	£700,000	£700,000	1	£0	£700,000	£700,000
Shire District	£8,302,290	£1,050,000	£9,352,290	8	£1,186,041	£525,000	£1,169,036
Metropolitan District	£38,000,000	£0	£38,000,000	2	£19,000,000	£0	£19,000,000
<b>Total expected savings (Achieved + expected)</b>							
County Council	£44,400,000	£0	£44,400,000	3	£14,800,000	£0	£14,800,000
Unitary Council	£0	£155,000	£155,000	1	£0	£155,000	£155,000
London Borough	£425,278	£700,000	£1,125,278	2	£425,278	£700,000	£562,639
Shire District	£11,697,290	£1,050,000	£12,747,290	14	£899,792	£525,000	£910,521
Metropolitan District	£74,580,000	£161,000	£74,741,000	5	£14,916,000	£161,000	£14,948,200

**Table 6: Savings breakdown by council type and savings status**

It is also possible to breakdown savings and income generated, based on the initial skill area that councils required in order to undertake the project. Note that projects may require more than one skill area and as such the totals cannot be added up.

Excluding the single service transformation project outlier with savings of £64 million, the largest average total benefits involve projects reviewing service efficiency reviews (adult social services), with an average benefit of £14.8 million per project. This was followed by procurement with benefits of £4.1 million.

Total expected savings (Achieved + expected)	Savings	Income	Overall benefit	Number of councils based on	Savings	Income	Average benefit
Asset management	£0	£700,000	£700,000	1	£0	£700,000	£700,000
Commercialisation	£3,194,000	£1,366,000	£4,560,000	8	£532,333	£341,500	£570,000
Contract renegotiation	£6,670,000	£0	£6,670,000	3	£2,223,333	£0	£2,223,333
Economic growth	£0	£0	£0	-	£0	£0	£0
Energy efficiency	£180,290	£0	£180,290	1	£180,290	£0	£180,290
Planning	£0	£0	£0	-	£0	£0	£0
Procurement	£8,200,000	£0	£8,200,000	2	£4,100,000	£0	£4,100,000
Service efficiency review	£237,000	£0	£237,000	2	£118,500	£0	£118,500
Service efficiency review (adults)	£44,400,000	£0	£44,400,000	3	£14,800,000	£0	£14,800,000
Service efficiency review (children's)	£425,278	£0	£425,278	1	£425,278	£0	£425,278
Service transformation	£64,675,000	£0	£64,675,000	2	£32,337,500	£0	£32,337,500
Shared services	£3,121,000	£0	£3,121,000	2	£1,560,500	£0	£1,560,500
Multiple	£0	£0	£0	-	£0	£0	£0

Table 7: Breakdown of savings and income by skills requested

## 6 Areas of focus

### 6.1 Financial Impact

The open nature of the programme, one of its key strengths and success factors, has generated some clear success stories in terms of financial impact / benefits, especially where costly contracts with private sector service providers could be reviewed as part of, or as a consequence of the Productivity Experts programme. While financial gains generated in other projects may appear to be less in absolute terms, they can still make a considerable difference to individual councils.

*'Although we won't be self-sufficient by 2017/18, the work we have done to date has pushed back the cliff face to 2021, giving us more time to meet the funding gap. The original target was £500,000, when further work was done the real funding gap by 2019 was £2.2 million against a net budget of £10.5m.'*

In this sense the success of the programme is perhaps best measured through the existence of some success stories with a significant financial gain rather than an overall average figure of financial impact. A particularly notable example of financial impact can be found in Carlisle. While the council would have achieved substantial savings without the programme, the specific encouragement from the expert took the council one step further in suggesting that a zero-subsidy solution for a leisure centre contract was possible. The council is set to achieve annual savings of £730,000, out of which £400,000 per year will pay for the construction of new pools and leisure centres.

### 6.2 Skills and Learning

Both from filed documents and from the evaluation returns, commercialisation and procurement expertise are cited as the most important skills development areas sought through the programme. To a lesser extent, general management techniques and project management skills are highlighted as well. There is no detailed picture about the quality of potential skills development, or its longer term impact. However, it will be important for future participating councils to ensure that knowledge gained through the programme is properly embedded in the organisation. Furthermore, fully transferring the skills may be challenging given the timescales available. For example, one respondent explained:

*'However, as we continue to run our businesses the time frame of the whole programme makes it difficult to learn, apply that learning and realise benefits in that period.'*

### **6.2.1 Procurement expertise**

Quality of procurement is clearly a major priority for a number of councils. As a consequence, the Productivity Expert is often called in to review existing contracts with private suppliers of services. Council legal departments and top-level negotiators can struggle to meet the level of skill and expertise in contract law, market knowledge and negotiation techniques that exists on the side of some private contractors. In one case the expert was able to successfully coach the individual members of the local procurement team. As the individual reported, the whole ongoing procurement cycle has been transformed.

### **6.2.2 Commercialisation and revenue generation**

In the wider context of budgetary constraints, councils are trying to value their assets from a more commercial perspective. This sometimes takes the shape of developing fee-paying services, and is widely seen as an encouragement to shift employees' attitudes towards taking into account costs and benefits of their actions, trying out new (project) management techniques and/or to display a friendly service attitude internally and externally. One of the respondents found that:

*'We used it as a catalyst to develop our thinking; change our thinking and approach.'*

## **7 Success factors**

### **7.1 An open programme**

The multiple challenges that councils face, and the important differences in size and scope of their activities ask for an open approach where the Productivity Expert's interventions can be creatively used in a number of different contexts. This is illustrated by the comment below:

*'By finding somebody with the required level of expertise at the right time, we used this as a catalyst to help develop an approach rather than the specific project we originally had in mind.'*

However, there is also a risk of dilution of the programme into work on general strategy considerations, without any measurable effect. Rather than a restriction of award criteria, an encouragement to choose a clear focus and a commitment to a corresponding reporting format including longer-term evaluation could be an answer for future rounds.

## 7.2 Highlighting the crucial need for cost control and expertise in procurement

With an increasing number of councils using the Productivity Experts programme to directly audit some of their service contracts and / or to build legal and negotiating expertise, the programme has clearly helped to address a priority need in local government. Importantly, several councils reported that the learning they have developed from the involvement of the expert takes them beyond the specific project. For example, one authority reported that without the Productivity Experts programme, the council would have brought in a more traditional auditor but that thanks to the Productivity Expert the team now understands so much better how private contractors think, and what matters to them.

Similarly, one of the respondents illustrated how the scope of saving could only be assessed realistically once some work had been accomplished with the expert:

*'We weren't in a position to set realistic targets, we had an unsustainable model but felt there was potential in it. The Expert brought the knowledge and realism to set these targets.'* -

For individual councils with millions of pounds worth of contracts, this has meant significant gains. However, it raises the question of a potential need for additional emphasis within the Productivity Experts Programme, or through other LGA resources that targets public service contracts on a large scale and helps every council to develop or access the necessary negotiating and contractual expertise.

## 7.3 The drive for commercialisation and the need for information exchange

One of the interviewees suggested that his council might have carried out the savings process in a similar way without the programme, but that the programme helped the officers engage with colleagues and created awareness about other councils' similar efforts. All over the country councils are trying to commercialise services. The Productivity Experts programme has the potential to serve as a welcome element of facilitating efforts to fully understand and meet this challenge.

*'The initial barrier in our particular project was to convince people that commercial thinking can apply in a public sector organisation, does not simply mean making a profit and is equally relevant to all services (not just those which generate income).'*

## 7.4 The need for a more real-time exchange of information and learning

Some of the programme's most notable achievements are at risk of being under-publicised.

The current progress reporting and case study approach could be replaced by a more interactive reporting and exchange tool that is not only seen as a one-way demand for accountability, but an opportunity to learn about the experiences of others as relevant to each council's own context and ambitions.

Several councils reported in the interviews that they would have appreciated the LGA being more involved beyond the involvement of the expert in order to help the publicise and

share the achievements they had made more widely. For example, one of the interviewees noted that they were not as clear on the role of the LGA after the project started and whether the LGA would be considered as a sponsor or partner, or something else.

This is not an uncommon issue in small grant programmes such as this, and would require access to other resources and expertise within the LGA, and participating councils, to share and promote the results of the work being undertaken.

## 8 Recommendations and further action

Given the overall popularity of the programme, and the potential for productivity experts to support multi-million-pound savings for councils, there is likely to be an opportunity for the LGA up-scale the programme, particularly in those areas under-represented within the current cohort of projects. There are also opportunities to refine and improve the quality of information collected from funded projects, and the ways in which success stories and learning from the programme are shared across the wider local government sector. With this in mind, we would recommend that the LGA give consideration to the following actions:

1. Target those areas of the country under-represented in the programme, to help spread learning and generate greater impact. This could involve some further stakeholder research to understand why those areas have not made as much use of the Productivity Experts programme as others.
2. Review and update ongoing data collection and evaluation tools (whether giving consideration to an online option or not) to improve the quality and breadth of data available about the programme – even if this is simply the core data about each project – start/finish dates, financial outcomes at year one, skills developed / transferred, and future expected savings. The internal LGA processes needed to maintain this in an efficient and timely way, within the current resource constraints, should also be developed.
3. Use the findings from this evaluation to promote the obvious potential of the programme to the sector, and the skill areas which are likely to offer greatest benefit. However, further research is needed to fully understand the factors that contribute to successful projects and achievement of longer term financial benefits.
4. Introduce the use of the data repository that we have developed as part of this research, to replace the existing spreadsheets and word documents used for programme monitoring. This provides more automated reporting of programme outcomes and greater consistency in the data collected about each project. Consideration could also be given to an online data capture process (to replicate the Excel version of the repository), using an online survey tool, which could include the facility for sites to upload programme documents, outputs and resources. This approach would speed up data collection and reporting, and provide the potential to scale up the programme without additional LGA management resource.
5. Undertake a review of the funding model for the programme, to potentially provide some variation in the level of funding available depending on the scale of the project,

and / or to allow for a simple retrospective evaluation or review to be undertaken towards the end of each project.

6. Undertake further analysis of the data captured through this research, and future funding applications, in order to understand the reasons for drop-outs, so that less time is taken up with projects that don't go ahead.
7. Ensure there is a simple but consistently implemented 'project closure' process within the LGA to capture key learning about the programme at set points in time, and develop ways of sharing this so that it aligns with other LGA external communications and messaging. This could include developing a mechanism for sharing learning and disseminating useful project outputs and resources through the LGA's regional networks.

### 9 Invitation to participate email

Dear colleague,

We are writing to you on behalf of the Local Government Association, as we have been asked to undertake an evaluation of the Productivity Expert programme and would like to obtain some information about your project to inform the evaluation. The aim of the evaluation is to understand what impact the programme has had for councils that have received support from a Productivity Expert, and to identify the learning that can be shared more widely across local government. This will help to shape the way the programme is run in the future.

The Productivity Expert programme provides funding for councils to access specialist skills and expertise to improve productivity, create new revenue streams, and generate efficiencies in council operations. Over 70 councils have been involved in the programme since it started in 2012.

As a council that has been involved in the programme, we would like to check that the information held by the LGA is accurate and up to date. This includes information about the particular project you received support for, contact details for the lead officer, the current status of the work, and the financial and non-financial benefits that you were able to generate.

The purpose of this exercise is to help us assess the overall impact of the programme – it is not about inspecting previous projects, and the information collected will not be used to judge the performance of individual councils. Therefore, if it has not been possible to generate the level of savings or income estimated in the original application, it would be helpful for us to understand why so we can assess the programme in light of this.

In undertaking this research we are particularly interested in the factors that enabled you to achieve benefits, any challenges you faced, and the skills you gained so that we can build on and improve the offer in the future. We would also like to draw out any resources from previous projects that will be of wider interest and assistance to local government. The information we gather will be used to help the LGA decide what support to provide in future.

The attached spreadsheet has been put together from project documents and reports. We would like you to spend a few minutes reviewing the information, updating anything that is no longer accurate, and adding in some additional information where there are gaps. More detailed instructions are included in the spreadsheet. If you are not the best person to complete this exercise, please forward to a colleague, copying us in so we know who to contact.

Any information you provide will be kept confidential and used by the LGA solely for the purposes of this evaluation. No information about individual councils will be published without your permission.

If you have any questions about this exercise, or would like to discuss the work we are doing, please contact:

Sam Mackay, Project Manager on 07866 463434 for any queries about completing the spreadsheet, or Rhian Gladman, LGA Programme Manager on 07795 413 947 for queries about the Productivity Expert programme evaluation.

We really value your input and appreciate you taking the time to participate in this research.

With thanks,  
Sam Mackay  
Director

## 10 Blank copy of data collection tool

### Data validation

This sheet contains a summary of some of the key information held about your project. This has been pre-populated where possible, but in some instances there may be errors or gaps. Please review the data below and complete the missing information and correct any issues. Please complete as much of the information in the yellow cells as you can.

#### Overview

Councils involved	<input type="text"/>
If more than one council, which council was the lead for this project <i>Leave this blank if only one council</i>	<input type="text"/>
Short project description	<input type="text"/>

#### Contact details

Main contact name	<input type="text"/>
Main contact job title	<input type="text"/>
Main contact email address	<input type="text"/>
Main contact phone number	<input type="text"/>

#### Project dates and status

<b>Start date</b> <i>Approximate date your involvement the Productivity Expert programme began.</i>	<input type="text"/>
<b>End date</b> <i>Approximate date your involvement the Productivity Expert programme finished. This should be the point and which you used the days allocated in the programme budget. If you used additional support from the expert please enter this date below.</i>	<input type="text"/>
<b>Additional support</b> <i>If you paid for any additional support from the expert in addition to that funded by the LGA, please tell us how much additional support you paid for.</i>	<input type="text"/>
<b>Date contact with productivity expert ended</b>	<input type="text"/>
Please select the current status of your project	<input type="text"/>
If your project is 'on-hold' above, please explain here:	<input type="text"/>

**Savings and income**

Please use this section to tell us about the savings and / or income generated as a result of your involvement with the productivity expert. As noted above, this research is to help make improvements to the programme and not an audit. It is important to help the LGA set reasonable expectations for the programme, so please try to reflect savings as accurately as possible. If you would like to provide additional details or to clarify information in the yellow cells, please add this in the orange 'Additional information' cells.

	Savings	Income	Additional information
Original total anticipated savings and / or income		£0	
Savings and / or income generated to date			
Further expected savings and / or income going forward			
Timeframes to realise these benefits <i>How long did it take / do you expect it to take to realise the benefits? Ideally this should be a number of years but you are not able to tell us this, please explain more about the timeframe for the benefits.</i>			
Are you still experiencing financial benefits from the programme, or have they all been realised now? If you expect to experience further financial benefits, when do you expect to realise all of the benefits?			
Is there anything further you would like to add about the financial benefits of your involvement with the Productivity Expert?			

**Outcomes**

What have been the overall outcomes from the project. These could include longer term learning, such as upskilling to deliver similar projects in the future, or more immediate benefits associated with the project itself.

**Skills and expertise gained**

In this section, we are concerned with the skills you identified as being required at the beginning of the programme, and what skills have been developed internally as a result of this work.

What were the key learning outcomes from this project?

Please select "Yes" where appropriate below. As with the above sections, you may wish to add additional information in the orange column to the right. If the relevant skills are not covered, please enter your own at the bottom of the table.

	Requirement to develop this skill initially	Internal skill developed as part of involvement with Productivity Expert (whether or not it was initially required).
Asset Management		
Children's Commissioning		
Commercialisation		
Contract renegotiation		
Economic Growth		
Energy Efficiency		
Governance		
Investment / income generation		
LEAN		
Planning		
Procurement		
Process review		
Project management		
Service Delivery models		
Shared Services		
Strategy		
Waste and Water		
Other - enter in the first cell		
Other - enter in the first cell		
Other - enter in the first cell		

Is there anything further you would like to add about the skills developed?

**Project outputs for others**

We are interested in ensuring that both lessons learned and examples of good practice are shared among councils. Please list below those outputs that have been developed as part of this work by entering "Yes" where this is the case. You can add additional outputs at the end of the list against the 'Other' box. We would be grateful if you can attach these documents when returning the spreadsheet. These will not be made freely available without seeking your agreement first.

Business cases	
Case studies	
Presentations	
Training materials	
Other - enter in the first cell	
Other - enter in the first cell	
Other - enter in the first cell	

Is there anything further you would like to add about the outputs of the programme?

## General questions

### General overview

We would be grateful if you could also take a moment to tell us about your overall experience of the Productivity Expert programme

1. Have you achieved the main outcomes you wanted to achieve through the Productivity Expert programme?

2. What do you think are the key factors that are needed to make a project like this successful?

3. What do you think are the main barriers to making the most of the Productivity Expert programme? Where you have overcome these, how was this achieved?

4. If there is anything else you would like to tell us about your involvement in the Productivity Expert programme, please use the box below to do so.

Figure 7: Screenshot image of data collection tool

### Full data repository (separate Excel file)

The cleaned full data repository can be found as a separate Excel file.

## 11 Interview schedule

### Introduction

This interview is part of an evaluation Apteligen is undertaking for the Local Government Association.

We are looking at the impact of the Productivity Expert Programme, which your Council took part in. I would like to ask you a few questions about the work you were involved in, what you were able to achieve in terms of financial and non-financial benefits, and the support you received from the expert who worked with you.

The interview should take about 30 minutes. Everything you say will be kept confidential and only attributed to your Council with your permission. We are not recording the discussion.

If there are issues you would like us to feedback relating specifically to you, please tell us so the LGA can follow these up directly with you.

We are interviewing around 10 projects, spanning the three years or so that the programme has been in place, and the results will be written up into a report aimed at helping the LGA improve how the programme is run in the future.

Any questions?

Structure of the interview:

- Section 1: About the project
- Section 2: About the expert
- Section 3: Benefits
- Section 4: Programme arrangements
- Section 5: Final comments

***Say a little here to reflect what we already know about their work, and reword questions below accordingly. E.g. I understand the expert worked with you on... Can you tell me a little more about what the project was?***

### Section 1: Purpose of the case studies

1. Can you tell me a bit [more] about the project / programme that the expert helped you with?
2. When did the project start / finish?
3. What is the current status? (Still underway, finished, not started...)
4. What are / were the main driver(s) for the project?
  - Income generation
  - Savings
  - Growing demand
  - Policy agenda
  - Others...
5. What attracted you to the programme / why did you apply for help?
  - Lack of expertise in-house
  - Lack of capacity in-house
  - New / emerging area
  - Test ideas
  - Critical challenge / independent advice

## Section 2: About the expert

1. Can you tell me a bit about the support you received through the programme?
2. What specific skills or knowledge did the expert bring?
3. Has some of this knowledge / expertise been transferred to Council staff? / Been developed internally as a result?
  - In what areas? Populate table below...

Skills area	Developed / transferred	Project requirement
Asset Management		
Children's Commissioning		
Commercialisation		
Contract renegotiation		
Economic Growth		
Energy Efficiency in Councils		
Investment		
LEAN		
Planning		
Procurement		
Project management		
Service Delivery models		
Shared Services		
Waste and Water		
Other...		
Other...		

- How was this done?
  - If not, why not?
4. How did the support work in practical terms? E.g.
    - All 6 days at once
    - When we needed it over a longer period
    - Other?
  5. How did you find working with them?
    - What was especially positive / beneficial?
    - What could have been better?
    - What about general communication / making contact / the practicalities

### Section 3: Benefits and outputs

***[Really important in this section to ask about contextual factors, i.e. why did/didn't certain things happen, what would they do differently next time, what has happened since...]***

***Again, we may know some of the core information, so reflect that in question wording.***

1. Can you tell me a bit about the financial benefits (those actually realised) of the project to the Council?
  - What were they? (Savings, income, shift resources elsewhere, etc)
  - In what areas?
  - Over what timeframe? Have they continued beyond the original project? (i.e. one-off or recurrent)?
  - Were these as intended?
  - If so, what was critical to making this happen? If not, why not? What were the main barriers / challenges?
  - Were there other / unexpected financial benefits/improvements? What were they?
  
2. What about non-financial benefits? E.g.
  - Staff skills / learning
  - Customer / resident satisfaction
  - New / stronger partnerships or collaboration
  - ...
  - ...
  
3. How did these non-financial benefits come about?
4. What were the challenges / barriers to the project overall?
5. Are there any outputs from the programme that you have been / will be able to use in other work? Or outputs that the LGA would be able to use/share with other councils as part of their sector led improvement work? E.g:
  - Training materials
  - Presentations / reports
  - Business case(s)
  - Information resources / evidence / library
  - Templates
  - Data / data collection tools
  - Analysis / approaches
  - Project plans
  - Other...

If some of these have already been used in other work, ask what it was, in what way...

## Section 4: Programme arrangements

1. [If they were involved / can remember] How did you find the application and award process?
2. What about communication / contact with the LGA throughout?
3. Any other comments about the programme more generally?

## Section 5: Final comments

1. What are the main factors that make a project like this successful?
2. What would you do differently next time?
3. What advice would you give other Councils looking to tackle similar issues / areas of work?
4. Is there anything else / other points to discuss / raise that you feel are relevant to this research?

## 12 Sites interviewed

The table below shows who was interviewed and the council they represented, for each of the six interviews.

Council	Individual interviewed	Title
Barrow	Phil Huck	Executive Director
Carlisle	Gavin Capstick	Community and Contract Services Manager
Eastbourne	Paul Turton	Project Director
Hyndburne Borough Council	Jane Ellis	Executive Director
Rutland County Council	Helen Briggs	Chief Executive
Torridge	Sean Kearney	Commercial and Leisure Services Manager

**Table 8: Interviewed council representatives**

## 13 Financial data status

The table below shows the councils / projects involved in the evaluation and whether it was possible to validate the data with the councils through the data collection tool and the interviews. Although this shows a high proportion that were not validated, it should be noted that the review of documentation about the projects also allowed us to populate a large amount of additional financial information about the projects.

The table also shows what type of financial data we used to calculate the financial benefits. As noted in the main body of the report, in order to understand the full scale of the benefits, we used target data (which was generally lower than actuals achieved) to estimate the financial benefits. Where possible we used actual reported data, but where this was not available we used target data. For some projects there was no financial data at all and any financial benefits derived from these projects would not be included in the totals.

Project number	Lead council	Verified savings	Target-Actual-No data
001	Allerdale DC	Not verified	Actual
002	Wyre Forest	Verified	Actual
003	Dacorum, Three Rivers and Watford	Not verified	No data
004	Gloucestershire	Not verified	Target
005	Association of Greater Manchester Authorities (AGMA)	Not verified	No data
006	South Hams and West Devon	Not verified	No data
007	Taunton and Dean	Not verified	No data
008	Barrow	Verified	Actual
009	Wirral	Not verified	Actual
010	Christchurch and East Dorset	Not verified	No data
011	Aylesbury Vale DC	Not verified	Actual
012	Hyndburne BC	Not verified	No data
013	Burnley	Not verified	Target
014	Craven DC	Verified	Actual
015	East Lindsey	Verified	Target
016	Rutland CC	Not verified	Actual
017	Nottinghamshire CC	Not verified	Target
018	Stockport	Verified	Actual
019	Teignbridge	Not verified	Target
020	South Staffordshire	Verified	Actual
021	LB Redbridge	Not verified	No data
022	Plymouth	Not verified	No data
023	Copeland	Not verified	No data
024	West Dorset DC & Weymouth and Portland DC	Not verified	No data
025	Rochford DC	Not verified	No data
026	Wolverhampton	Not verified	No data
027	Carlisle	Verified	Target
028	Isle of Wight	Not verified	No data
029	Calderdale	Verified	Actual
030	Leeds	Verified	Actual
031	Waltham Forest	Not verified	No data
032	West Norfolk	Not verified	No data
033	Thanet	Not verified	No data
034	Pendle	Not verified	No data
035	West Berkshire	Not verified	No data
036	Eden	Not verified	No data
037	Eastleigh	Not verified	No data
038	Rossendale	Not verified	No data
039	Wellingborough	Verified	Target
040	East Northamptonshire	Not verified	Target
041	Eastbourne	Not verified	Target
042	LB Harrow	Verified	Target
043	Torridge	Verified	Target
044	Blackpool, Pendle, Burnley, Ribble Valley and Rossendale Council	Verified	Actual
045	Cornwall Council	Not verified	No data
046	Mid Devon Council	Verified	Actual
047	South Holland District Council	Not verified	No data
048	Breckland District Council	Not verified	No data
049	Chichester, Horsham and Arun	Not verified	No data
050	Ashfield	Not verified	No data
051	Pendle	Not verified	No data
052	Carlisle	Verified	Target
053	Oxfordshire	Not verified	No data
054	Rossendale	Not verified	No data
055	West Berkshire	Not verified	No data
056	Waverley	Not verified	No data
057	North Dorset Council, West Dorset Council and Weymouth and Portland Council	Not verified	No data
058	Shropshire	Verified	Target
059	Lichfield	Not verified	No data

**Table 9: Status of financial savings by council**

Apteligen Limited  
89 Byewaters  
Watford  
Hertfordshire  
England  
WD18 8WH  
phone: +44 (0)1923 253 220  
email: [corporate@apteligen.co.uk](mailto:corporate@apteligen.co.uk)