

## Case Study

### - Delivering the Collaboration Premium in Education

#### *Synopsis*

The Welsh Local Government Association commissioned a major project to assess the capacity and efficiency gains from collaborative working between 10 Local Authorities in education support services. The project team worked with the 10 Local Authority Education Directors and Chief Officers to review the current cost and performance base. The team identified over 20 initiatives that could deliver and sustain accumulative savings of 27% on the collective support budgets by 2014 through the Local Authorities working in consortia and integrating services.

#### *Background*

10 Local Authorities responsible for under 19 education in South East Wales wanted to assess the opportunities to collaborate more closely in their support services activities. Working with the Welsh Local Government Association, the authorities commissioned ServQ to carry out a wide ranging review of the opportunities to either collaborate or integrate major elements of education support. The goal was to identify collaboration options to deliver significant efficiencies over three years.

#### *Methodology*

A team of 12 advisors worked with a client project board, 10 Directors of Education and 120 local authority officers over 6 months to build a major performance and cost collaboration plan. Over 20 initiatives were proposed and prioritised. These initiatives were assessed for their potential to deliver the target savings through sharing best practices, removing duplication and building a critical mass of required education support services for over 230,000 young people.

The programme consisted of:

- *Value Management* workshops to share ideas, identify and prioritise initiatives and assess the range of options for collaboration;
- Deploying *Target Costing*, *Asset Management*, ICT review and appraisal together with internal/external *benchmarking* and *Activity Based Costing*;
- Data cleansing to create *Harmonised Costs* working with the 10 Education Finance teams to build a robust and consistent collaboration framework;
- Populating an extensive performance modelling software suite with cleansed, rationalised and comparable data than was then used to assess a variety of possible scenarios and options;
- Building *Strategy Execution Maps* and *Balanced Scorecards* setting out the three year change management programme, using the best practice Kaplan and Norton system; and,
- A series of presentations on options to CEOs and Council Leaders followed by the publication of a major report with timelines for delivery and savings.

#### *Outcome*

The project board and management team recommended working in 2 consortia to ultimately plan for greater integration of education support services and deliver £200+m of net savings by 2014. An implementation programme started in 2011.

#### *Reference*

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