

RISING TO THE CHALLENGE: BETTER PUBLIC SERVICES DELIVERED MORE EFFICIENTLY



“Unlocking value and creating opportunity to improve the lives of millions of people that is the challenge facing the public sector today.”

Graham Kean - Head of Public

Over the past ten years we've experienced record levels of investment in public services. The public sector accounts for more than half of the total UK construction output, but is this sustainable, and can we really afford it?

The 2009 Budget set out an ambitious plan of continued investment in public sector built assets, but this is only going to be affordable if demanding efficiency targets are met. Even in a recession, the demand remains strong. We still need schools, hospitals, prisons and affordable housing, arguably more so than during the good times. Much has been made of the fiscal impact of sustaining the spend, but the real long-term value will be derived from the quality of the facilities we create.

The Best Schemes

To truly deliver the maximum benefit from spending, the public sector needs to be more effective in targeting where the money is spent; and more efficient in delivery. The best schemes will be the ones that deliver the maximum long term impact, whilst optimising whole life cost. This sounds simple but it is a tough challenge with so many competing priorities across public services.

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How is the sector responding?

A true measure of success would be emerging from the recession as a truly competitive skills based economy.

The foundations for this are already in place. The Building Schools for the Future programme is delivering record levels of strategic investment, but what about the impact of all the tactical funding for schools? Is this being targeted to deliver the maximum impact in terms of educational outcomes for children and young people? Education experts are becoming increasingly aware of these challenges and are looking at innovative new ways of ensuring spend is linked back to educational outcomes.

Increasing Demand

Local Authorities deliver a diverse range of essential public services and whilst there are increasing demands on these services, local authority income is effectively capped.

With property being the second biggest cost, (staff costs are first) this presents an ideal opportunity to examine how built assets could enable the delivery of better services more efficiently. Many of our clients are realising this and designing their investment programmes accordingly.

London Borough of Camden leads the way...

An excellent example of leading edge thinking is demonstrated in the London Borough of Camden's Area Review Programme.



With the Area Review Programme, the council is looking afresh at all of their land and property assets and identifying ways to unlock the value to enable opportunity elsewhere.

In London's Gospel Oak, seven existing local authority buildings used for a variety of functions will be replaced with one new purpose built shared facility. This new public service 'hub'; includes a district housing office, primary care health trust, tenants/residents association, sports hall, children's nursery, MyPlace and youth facility and provides the perfect platform for delivering better services more efficiently, at the heart of the community.

The scheme is funded by development of the remaining sites, which will in turn add value to the neighbourhood by improving the mix of private and affordable housing. This approach is entirely aligned with the Council's 'Better and Cheaper' change programme.

Innovative Partnerships In Affordable Housing

The newly formed Homes and Communities Agency has ambitious plans. It will need to be creative and innovative, as traditional approaches to a seemingly intractable problem, will not deliver in a recession. An example of this innovation can be seen in the new long-term partnership established between Norwich City Council and the Homes and Communities Agency (HCA).

By entering into agreement with the national housing and regeneration body, Norwich City Council are able to create more than 1,300 new homes, as well as a significant number of new jobs over the next 12 years.

Under the partnership, the HCA will invest £7.5 million into Norwich, with the City Council investing a number of sites for new homes around the city. Surplus income from the joint investment of these sites will be reinvested into other regeneration schemes across Norwich.

The HCA is at the vanguard of creating pioneering strategies to give residents and tenants a city they can afford to live and work in and want to feel a part of.

At EC Harris, a unique aspect of our vision is the delivery of community benefit and our focus remains on the desired outcome. By integrating our expertise across the public sector, we are enabling the development and regeneration of sustainable communities, enhancing life chances for young people and strengthening Local Authorities through the release of resources to protect the most vulnerable in our society. That is what drives us now, in times of recession, more than ever before.

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