

The Power of Local Government

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Local Partnerships is jointly owned by



HM TREASURY

Delivering value for money

- Introduction
- Local Partnerships – delivering value for Money
- Good relationships deliver good Value
- We also buy a lot of stuff
- We still don't do any of it well enough
- What are the challenges?

Local Partnerships – Delivering value for money

- Local Partnerships is a joint venture between HMT and the LGA.
- We work with government, local authorities, local public bodies, and the community focussed third sector, to support them to deliver investment in local infrastructure or local services.
- We don't work for the private sector, and we are not profit maximising.
- We have a core operating principle of sharing intellectual capital and learning across the public and third sectors.

The pressure to save money continues



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The New Vision drives new relationships

To the **citizen**
when
something can
be done
individually

e.g. personal
care individual
budgets

To the
front line
professional
when they are
responsible for
acting on behalf
of an individual

e.g. school
teaching style,
lead professional

To **local groups**
when a group
wants to take
action

e.g. community
right-to-buy,
local re-
generation of
public areas

To the
community
when decisions
can be taken at
a lower level

e.g. planning,
recycling and
waste

To a **local**
democratic
institution

e.g. public
health, child
protection

Nationally when
Government has
to act on behalf
of us all

e.g. military,
security service

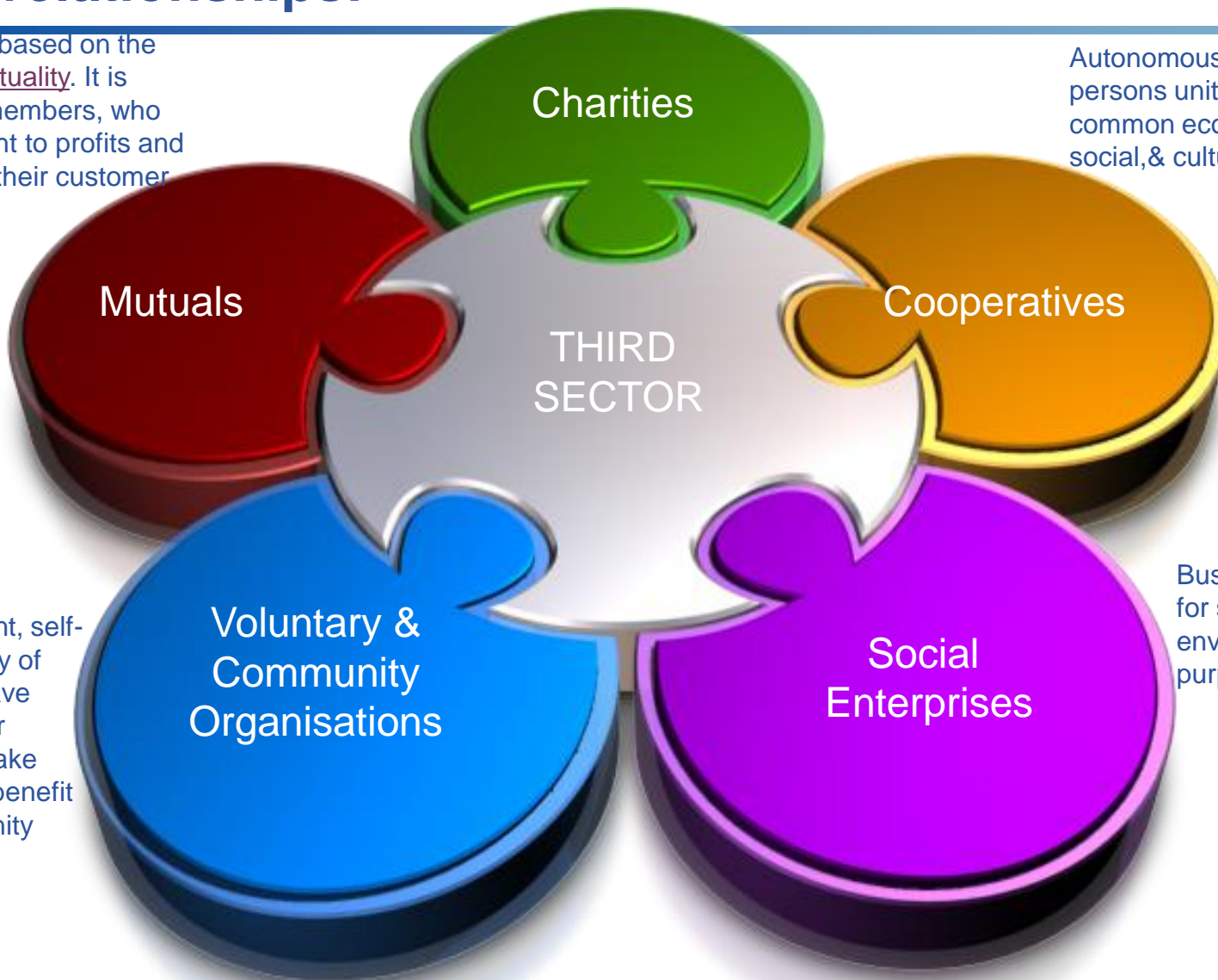
New entities drive new relationships!

Non-profit making organisations generally refer for public charity

Local  Partnerships

Organisations based on the principle of mutuality. It is owned by its members, who derive their right to profits and votes through their customer relationship

Autonomous association of persons united to meet common economic, social, & cultural needs



We buy a lot of stuff!

Category	% Of Spend	Total Spend (LG, England)
Construction	22.3%	£7,400,000,000
Social Care and Services	21.7%	£7,180,000,000
Professional Services	7.6%	£2,530,000,000
Waste Disposal and Recycling	6.0%	£2,000,000,000
Travel	5.9%	£1,960,000,000
Business Services	5.0%	£1,640,000,000
Facilities Management	4.3%	£1,430,000,000
ICT	3.8%	£1,280,000,000
Financial and Insurance Services	3.7%	£1,220,000,000
Utilities and Energy	3.2%	£1,060,000,000
Other	16.4%	£5,450,000,000
Total	100.0%	£33,150,000,000

Local government expenditure on external goods,
services and contracts is estimated to be around **£50bn** per annum.

It could all be so much better!

So many disappointing relationships



What are the challenges – in the new world?

- Knowing what we really want to do
- Private Investment/Public Risk
- Honesty and transparency
- Not letting strategy be wrecked by process!
- Building a shared vision of place?
- Commercial understanding out there?
- What about leadership?
- Wifm

The Times they are achanging and we must change too!