Shared Services

Learning and Skills Shared Services Advisory Group

Progress Report

5 September 2006

Paul Ennew
Content

- Drivers
- Objectives
- Timescales
- Approach
- Sector Plan
Drivers

• Sector Plan driven by Transformational Government /CSR07/Foster/FE White Paper
• This is one of 4 ‘mini’ reviews that are being consolidated and challenged to form a single Education and Skills Sector Plan
• FE review being led by Learning and Skills Council with the support / engagement of the Association of Colleges
Objectives

- Answering the call
- Coordination of approach
- Exploring the opportunity
  - Efficiency
  - Effectiveness
  - Joined-up
- Application of the model in FE
- Engage the sector
Timescales

• **First Draft – May**
  - Opportunity focused
  - Assumptions based
  - Initial direction of thought
  - Limited sector engagement

• **Further Drafts – June +**
  - Qualitative Factors
  - Data Validation
  - Firmer commitment
  - Wider sector engagement
  - Cross Sector
Approach

Activities in building a sector plan – the block and arrow diagram

This document covers the work in this red box
Approach

• **Existing Data Sources**
  – LSC Accounts Returns 2004/5
  – Staff Individualised Record

• **College Visits (10 Colleges)**
  – Current thinking
  – Data Gathering
  – Stakeholder engagement

• **Shared Services Workshop (40 Colleges)**
  – Challenges
  – Leadership
  – Scope of Services
The Learning and Skills sector requires an economic, efficient and effective approach to providing corporate and student information services that fully meets colleges needs and the needs of all stakeholders. Services should set the highest standards for responsiveness and customer satisfaction at a low operating cost and maximise the resources that can be released back into teaching services.
The key desired outcomes from moving towards this vision are:

- Increased efficiency across the sector
- Improved effectiveness of services
- Lower investment costs
- Better information and reporting capabilities
- Sustainability and stable platform for future change
Sector Plan – Scope

- Corporate Services
- Student Management
- Operations
- Teaching and Teaching Support
- Commercial
Sector Plan – Savings

• FE Colleges spend £421m pa on “in-scope” activity
• Adopting a Shared Services approach typically reduces annual operating costs by between 20 – 40%
• Need to create more robust business case with full cost/benefits analysis including potential uptake of service
Sector Plan – Challenges

• VAT – 17.5% taken out of the business case
• College independence – no mandated solution
  = will have to sell the benefits
• Belief that this may be current government fad
• Transition costs
• Typical Shared Services responses:
  - Perceived loss of control and accountability
  - Perceived reduction in flexibility
  - Concern over jobs
  - Complexity/diversity
Paul Ennew
FE Shared Services
Tel: 07877589900
Email: paul.ennew@lsc.gov.uk

Leading learning and skills