

July 2010



REPORTER

The e-magazine of the UK Association of Chief Executives



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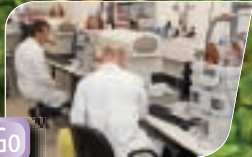
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Step change across Whitehall

As guest editor of the ACE Reporter issue that coincides with the fall out of the Emergency Budget and the preparations for the Spending Review, I was fearing the worst. CEOs too busy. No articles. If any, they would be tales of doom. Lots of grumpiness.

But what a resourceful lot we are! I'm delighted to introduce this issue that highlights all that is good about ACE. A propensity to share stories so we can learn from each other. Honesty and realism in the face of some pretty mind boggling challenges. And a positive attitude to seek out innovative solutions that have at their heart the interests of the customers we serve and the people we lead.

At times like these – thankfully not that often! – it can feel pretty lonely when faced with the combination of in-year cuts, 30% cuts in future years, questions over whether we should exist at all, recruitment freezes, moratoria on expenditure types that in many cases have been the essential lubricant to oil the wheels of our agencies.

The old adage is necessity is the mother of invention. And we need to innovate to create a step change in how affordable public services are going to be delivered in future. So, to help us step up, I

commend to you this issue which contains:

- Tips and guidance in the event that a Body is to be abolished
- A story of how to communicate a massive 11% in-year cut
- Stories on how smart use of technology can facilitate savings *and* improve service
- An account of how collaborative working overcame the mandatory emergency that arises when you thought things couldn't get any worse
- A story from my own agency on how we're rising to the recruitment freeze
- A reminder of how important it is to work closely with our customers
- Updates on Pensions, Pay, and the way forward for Arm's Length Bodies.

And to mirror our theme, a story, as those of us approach that milestone of 60 (not retirement any more!), of new facilities to help us step out and keep fit!



Guest Editor
Adrian Belton
CEX Food and
Environment
Research Agency
(Fera)

First pensioner playground

A new outdoor gym, designed to provide gentle exercise for the over-60s, has opened in Hyde Park. It includes six pieces of equipment that offer users a range of exercises to improve

strength and flexibility and help adults continue active and healthy lifestyles in later years.

Play areas for older people are popular in China and parts of Europe, but this is the first of

its kind in London. The equipment was selected to ensure a high level of accessibility, ease of use and enjoyment for all users, and followed consultation with a number of local and special interest groups.

Located next to the Tennis Centre, the playground includes a cross-trainer, a sit-up-bench, an exercise bike, a flex wheel to work the arms, a free runner and a body flexer.

'The health benefits of walking or exercising in parks are now well established,' said Mark Camley, Chief Executive of The Royal Parks. 'This is a fantastic new facility and we believe that it's going to be very popular among the five million people who visit Hyde Park each year.'

'We're keen to encourage people to exercise in the great outdoors and, with the Albert Memorial in the background, you would be hard pushed to find a better view from any gym in London.'

The idea was first proposed by the Knightsbridge Association, a local residents' association. The playground was primarily funded under Westminster Council's ward budget scheme, which provided £40,000. The Royal Parks, who project managed the build of the Hyde Park Senior Playground, contributed £10,000 and re-landscaped the surrounding area.



Stepping up to play: Duncan Sandys, a former Lord Mayor, tries out one of the new exercise machines, watched by (from left) Frances Blois, a former Westminster councillor, Maddie Elsdon, a member of the Knightsbridge Association, and Mark Camley, Chief Executive of The Royal Parks

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Driving change

Like a lot of industries, the automotive industry exists against a continually changing background. One key issue is keeping on top of legislation and VCA's latest Industry Day gave customers access to a number of seminars around legislative and process change.

VCA Industry Days – held bi-annually for the last 10 years – were started as a means of communicating important changes and sharing information around helpful VCA products. Legislative change has a marked impact on VCA customers and the day was attended by more than 200 people.

It featured the Agency's new online tool, the Compliance Management System, that gives manufacturers access to the legislative information they need while providing a programme management element to support the certification of a product or vehicle.

As always, the Industry Day provided access to front line staff and the engineering team dealt with specific questions around the application of the type approval and how developments in new technologies might be applied.

CEO Paul Markwick said: 'As the UK type approval authority and a supplier of testing and certification services, we work hard to keep customers abreast of change. The feedback gathered as part of this process has proved



Looking around on the day I was struck by the levels of innovation and design on show, emphasising the strength of the UK car industry, something that we sometimes forget - *Markwick*

invaluable in supporting our own drive for continuous improvement.'

An interesting development has been that customers have come to see the event as an opportunity to show their own products to their peer group and the latest event showcased a number of vehicles across the spectrum, ranging from concepts to prestige vehicles.

Markwick said: 'Looking around on the day I was struck by the levels of innovation and design on show, emphasising the strength of the UK car industry, something that we sometimes forget.'

Customer feedback shows the Industry Days are popular and provide the information customers need in a less formal setting.

Markwick said: 'As pressure grows to communicate more efficiently with our stakeholders, events like this provide a cost effective way of reaching a broad cross section.'

This is a challenging time for the automotive industry, said Markwick. It was adapting to work more efficiently without compromising on safety. Reducing the environmental impact of vehicles and operating in a more sustainable way was also rightly high on the agenda.

'And not least,' he added, 'the biggest economical hit for the industry since the 1930s!'

The Industry Day was held in June at the VCA Midlands Centre facility on the MIRA Proving Ground site.

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Beating swine flu in the lab

When concern about the swine flu pandemic was rising in the country, working quietly and effectively behind the scenes was the Interlab Forum, a joint venture that brings together the expertise of more than 9,000 scientists, technologists and engineers working in major public sector research establishments owned by various Government departments.

Using their complementary skills and resources to address the major public health alert, they made a massive contribution to the protection of both public and animal health. They were also a great example of where public sector science groups have brigaded their skills and expertise to share best practice and collaborate on strategic projects.

The Health Protection Agency (HPA) was at the forefront of the response to the initial stages of the swine flu pandemic and provided a wealth of support and information to the medical profession, schools and households. The Agency immediately put updated information on its website giving the international picture and pre-developed infection control advice.

Throughout the 'containment phase', the HPA provided information as the pandemic developed – initially travel advice, information for travellers returning from affected areas, information on anti-virals and subsequently guidance for particular at-risk groups such as

pregnant women and advice for schools and other institutions as well as providing daily media updates.

The Agency's local and regional teams constantly gathered data, provided surveillance and worked with the NHS, through Flu Response Centres, to provide advice and support to primary care health staff responding to individual cases and schools. The Agency's national experts focused on learning more about the virus, providing much of the science behind developing the vaccine, and continuous information and advice to government and other advisory bodies.

Given the very close relationship between human and animal health, particularly in the influenza field, veterinary scientists at the Veterinary Laboratories Agency (VLA) worked closely with public health counterparts at the HPA and globally as an international reference centre for influenza.

VLA provided advice, reagents, test protocols and guidance to the HPA, facilitating a rapid laboratory response capability, as well as to the WHO influenza network of laboratories. An important project as part of the HPA/VLA partnership involved carrying out urgent efficacy studies of a human vaccine using ferrets as an animal model.

Drawing on complementary skills in its Interlab Forum partners, the HPA coordinated a

regional training programme to provide support should their diagnostic testing capacity become stretched. HPA in Cambridge trained scientists at the Centre for Environment, Fisheries and Aquaculture. HPA in Southampton and Bristol trained scientists at respective locations at the Defence Science and Technology Laboratory. VLA high volume testing capability was made available should it be required.

- The Interlab Forum includes: Centre for Environment, Fisheries & Aquaculture Science, Defra, Defence Science and Technology Laboratory, MOD, Food and Environment Research Agency, Health Protection Agency, DoH, Health and Safety Laboratory, Veterinary Laboratory Agency

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ACE Matters

Workshops on the Spending Review and Best Practice on how to downsize/merge or close Arm's Length Bodies (ALBs) are being pulled together by ACE. The workshops are a consequence of the Association's recent Discussion Forum which heard about the plans for the 2010 Spending Review and how the new coalition Government is looking at the future of ALBs.

The aim of the Spending Review (SR) workshop is to give ACE members the chance to contribute to the engagement process on the SR. The intention is to cover the full range of issues, and not just those relating to their own organisations or to ALBs in general. Andrew Hudson, HM Treasury, is keen to draw on the experience and insight of colleagues with a range of backgrounds and perspectives. It will be held on Monday 2 August from 5.30 to 7.30pm at HM Treasury. Please see Member Briefing to make a booking.

The aim of the Best Practice in major change/ALB closure workshop is to share best practice across ACE members and others who have been through this process. The workshop will be held on Monday 6 September in London. Again, please see Member Briefing for how to book.

The next ACE Discussion Forum is being

held on 15th September 2010 in London. Secure a place by booking at www.uk-ace.org.uk/seminars.asp

The next ACE regional get-together will be held in central Bristol on 20 July and will continue the themes discussed at the June regional meeting, which included Treasury Spending Report and Shared Services. It will be held during the early evening. Anyone interested in attending is asked to email james.jeynes@uk-ace.org.uk

ACE chair Jane Platt, CEX National Savings and Investment, said: 'I would encourage all members to bring along one or two of their senior colleagues who may be considering ACE membership.' ACE is currently agreeing dates for further regional events in the North West and Scotland, with London to follow shortly.

The ACE Conference is ahead of itself this year with Chief Executive bookings at 22 already. This annual conference held at Sunningdale Park, Ascot, includes the ACE AGM and Conference Dinner. Confirmed sessions from Sir Gus O'Donnell and Lord Bichard will be complemented by member experiences of the government cuts and invited leading speakers on key issues identified throughout the year.



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of their senior colleagues who may be considering ACE membership. ACE is currently agreeing dates for further regional events in the North West and Scotland, with London to follow shortly - Platt

■ To find out more or to book a place visit: www.uk-ace.org.uk/conference

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Pay must be fair - Hutton

Ensuring fairness in public sector pay in today's economic climate is a national priority, says leading economist and commentator Will Hutton, who has been appointed by the Government to head the public sector pay review.

Hutton will make recommendations by March 2011 on promoting pay fairness in the public sector by tackling disparities between the lowest and the highest paid in public sector organisations. The review will produce an interim report by late autumn 2010.

The review will include a robust, evidence-based analysis of the scale of the problem together with recommendations on how to introduce a public sector pay multiple that would mean that no public sector manager can earn over 20 times more than the lowest paid person in their organisation.

Hutton said: 'There are multiple causes of growing pay disparity and the terms of reference permit the review fully to investigate them – and, of course, the consequences. Broader social norms have been changing over pay. One aim of this review, apart from its recommendations on public sector pay, as the Prime Minister notes, will be to contribute to shaping those wider norms in future.'

The terms of reference reveal the review will consider over what timescale a cap could be applied and how a cap would operate in

areas outside direct Ministerial control. It will also have regard to the:

- Government's wider fiscal and public sector pay policies, in particular the need for senior staff to show leadership in pay restraint and to deliver value for money from the public sector pay-bill. Recommendations from the Review should not increase the total pay bill
- Level of remuneration necessary to attract, retain and motivate staff of the quality required – and the opportunity cost of working in the public sector for some staff
- Fact that organisations may need flexibility to exceed multiples to match the market rate in exceptional cases where there is a clear justification to do so
- Government's stringent requirements for transparency and Ministerial approval in senior pay decisions
- The benchmarking work currently being taken forward by the Senior Salaries Pay Review Body
- The degree to which distortions and market failures in private sector pay create pressure for unfair pay multiples in the public sector
- The importance of rewarding productive entrepreneurship by frontline public sector staff

The review will examine all aspects of the public sector pay package, including base pay, variable pay, bonus and other elements, to the extent to which all can contribute to fairness across the pay range. It will take into account any recommendations or findings from the former Labour pensions minister John Hutton's 'root and branch' inquiry into public sector pensions that will produce an interim report in September ahead of the Treasury's spending review.



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including base pay, variable pay, bonus and other elements, to the extent to which all can contribute to fairness across the pay range

- Hutton

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Putting the media right

Communicating openly and honestly was at the heart of telling staff about cuts

When Companies House knew it had to find reductions of £6.4m, the plan was for CEO Gareth Jones to brief staff directly in as few sessions as possible to prevent Chinese whispers and to ensure the vast majority of staff heard the news directly from the CEO.

But the day before the briefings, news of the 11% cuts broke in the local media when television and newspaper articles interpreted it as 100-plus job losses.

In fact, a series of board meetings had established savings of £5.1 could be identified that, while they would impact on staff, stopped short of making any member of staff compulsorily redundant.

Measures impacting on staff involved a pay freeze, cancellation of certain bonus schemes and the closure of one of the South Wales locations. There were also significant reductions in training and marketing spend. Finding the additional £1.3m cuts remained an area for discussion and investigation.

Gareth Jones started his day of briefings with the management team and the trade union. He then journeyed six miles north to talk to the 280 staff based in Nantgarw to tell them the closure of the site was within the planned efficiencies.

Then it was back to Cardiff where, because of the desire to brief staff together, a



Subsequent to the briefings, forums have been set up to answer staff questions and concerns and to gather together ideas from them about where savings and efficiencies could be made - Jones

local church was used to gather 700 members of staff for a single briefing. It was an effective move – and one that made for some interesting television coverage!

Subsequent to the briefings, forums have been set up to answer staff questions and concerns and to gather together ideas from them about where savings and efficiencies could be made.

There was also some political interest. The decision to close Nantgarw resulted in a visit from the local Pontypridd MP concerned about the closure of the site, which is in his constituency.

Jones said: 'In many ways, the work to realise these savings has only just begun. However, we have demonstrated some of the Companies House values, especially "communicating openly and honestly" when

faced with significant change and challenge.'

The Companies House target of £6.4m or an 11% reduction in 2010/2011 operating budget followed the decision by Business Secretary Vince Cable that the BIS target of 11% reduction should also apply to Agencies within BIS – Companies House, Insolvency Service, Intellectual Property Office and National Measurement Office.



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Growing our own experts

Recruitment freeze calls for employment of new ideas

The challenge of seeing through the Government's emergency external recruitment freeze has prompted the Food and Environment Research Agency (Fera) to adopt a new approach – instead of bringing in expertise it is looking to grow its own expertise.

The agency, which had already begun to reconsider its approach to training and development before the emergency £6bn spending cuts announced by the new Government in May, has used the recruitment freeze as an opportunity to rethink its recruitment policy.

Fera head of HR Graham Curtis said: 'It has been very interesting. Instead of people being downcast and thinking we can't manage, it has been a time of great ingenuity and imaginative thinking. We have seen it as a real opportunity to think through our recruitment policy.'

'Traditionally, we would look to recruit people who were the finished product. Now we are looking for people that we can bring on and develop internally. We employ more than 500 scientists and 150 plant and bee inspectors. We are well placed to use our expertise to develop others.'

Alongside rethinking its recruitment policy internally, Fera identified other

Government departments it could approach to see if they had staff who would be suitable to train and develop within Fera.

'Many Government departments are having to downsize or redeploy people,' said Curtis. 'We thought it made sense we got in there and made people aware of the opportunities within Fera. Recruiting people to scientific research and regulatory inspection of plants and animals comes with its own particular challenges but there are some skills that are transferable.'

'We identified which government organisations were most suitable and contacted them. Some we knew already and others we cold called and introduced ourselves. We are now in the final stages of putting together a roadshow to roll out to about 10 organisations over the next three months. We want to make sure people are aware of the opportunities here and that Government as a whole doesn't lose any talent that we could develop.'

Fera CEX Adrian Belton said: 'The positive way the whole process has been approached means we are able to deliver our continuous improvement programme in the middle of a recruitment freeze.'

Fera's remit is to support and develop a sustainable food chain, a healthy natural

environment and to protect the global community from biological and chemical risks. It analyses more than 50,000 plant and food samples a year, carries out more than 150,000 plant and bee health inspection a year and works in more than 100 countries.

Fera was formed last year following the merger of Central Science Laboratory with Defra's Plant Health Division, including Bee Health and the Plant Health and Seeds Inspectorate, the Plant Variety Rights Office and Seeds Division and the UK Government Decontamination Service.



Growing talent: Fera wants to develop its own people

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Top money saving tips

Staff are being asked to share ways of cutting costs

Frontline staff in the Pension, Disability and Carers Service (PDCS) are being asked to share their money saving tips on the web.

The new web pages focus on how staff within PDCS can help save money by doing the simplest of things. It includes practical tips such as double sided printing, reusing surplus stationery and making use of telephone and video conference facilities instead of travelling.

The site also includes some interesting facts and figures, such as highlighting the monthly service costs for unused, surplus IT kit. Staff can make very real savings by decommissioning just one computer.

"It is very much a two way street," said PDCS CEO Terry Moran. 'In response to the current climate, we've developed a proactive approach to dealing with efficiencies by asking staff *Are you spending wisely?* We are asking staff to share their money saving ideas because they are the people with first hand experience and knowledge of working practices.'

Staff can share their suggestions in a number of ways, including commenting during web chats with Terry Moran or using Idea Street, the Department for Work and Pensions' new pilot platform for collecting, developing and implementing new ideas.

PDCS has also introduced its very own

money-saving experts across the Agency. Each expert is responsible for an area where non-staff savings can be made, for example, business travel. They'll assess each idea and take it forward before sharing the impact of successful ideas on a You Said, We Saved page.

- The Pension, Disability and Carers Service (PDCS) is an executive agency of the Department for Work and Pensions. It was formed in 2008 by merging the Disability and Carers Service and The Pension Service.



We also actively look at ways to reduce waste and have positively supported the Department's sustainability challenge in reducing our carbon footprint - Moran

Moran said: 'We have a proven track record in recognising ways to improve working practices to make them leaner and more efficient. We also actively look at ways to reduce waste and have positively supported the Department's sustainability challenge in reducing our carbon footprint.'

'By calling on staff's own experience and expertise, we all play an active part in addressing the savings challenges.'



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ACE Forum talks through the Spending Review Framework

More than 60 members took part in a special ACE Discussion Forum when Andrew Hudson of HM Treasury talked through the implications of the new Spending Review Framework that sets out the process and principles that will underpin the Spending Review (SR) to be published in the autumn.

The Treasury has said the framework is not just about cutting spending and setting budgets but is a complete re-evaluation of the role of Government in providing public services. The SR will look at what services the Government should be providing and how it can get more for less.

Hudson warned members the timetable was aggressive and said he would like to engage with ACE, whose members had a direct link with the public to whom services were delivered, to make sure the process was as co-ordinated and productive as possible. Plans for the engagement will be announced shortly.

The Treasury underlines the new framework means a completely different approach to the Spending Review that will be based on: thinking innovatively about the role of government in society; taking difficult decisions to reduce the deficit collectively; and consulting widely to use all available talents.

The framework will bring in a tough new set of criteria with nine specific questions

The Treasury has said the framework is not just about cutting spending and setting budgets but is a complete re-evaluation of the role of Government in providing public services

for Arm's Length Bodies (ALBs):

- Is the activity essential to meet Government priorities?
- Does the Government need to fund this activity?
- Does the activity provide substantial economic value?
- Can the activity be targeted to those most in need?
- How can the activity be provided at lower cost?
- How can the activity be provided more effectively?
- Can the activity be provided by a non-state provider or by citizens, wholly or in partnership?

- Can non-state providers be paid to carry out the activity according to the results they achieve?
- Can local bodies, as opposed to central Government, provide the activity?

The framework sets out details of a period of external engagement between the Government and all parts of society in a process to canvass public opinion over where cuts should be made. To obtain the best ideas from those most involved in and affected by public services, the engagement will include the private sector, the general public, voluntary/charitable organisations and experts.

A new Star Chamber will challenge every department's spending plans to ensure they deliver more for less, and an independent Spending Review Challenge Group of experts, from inside and outside Government, will be established with the remit to think innovatively about options for reducing public expenditure while balancing priorities.

Each Secretary of State will be required to appoint a Minister with specific responsibility for driving value for money across their department, identifying savings opportunities and playing an important role in challenging spending in all areas, including on contracts and programmes.

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Lessons from abolition of an NDPB

Mergers or abolitions aimed solely at efficiency are unlikely to work, says new report

The Hearing Aid Council (HAC) has become the first of the 31 Non-Departmental Public Bodies (NDPBs) identified for merger in the 2005 Hampton Review, to cut the burden of regulation without reducing public protection, to be abolished. It has transferred its responsibility for regulating hearing aid dispensers to the Health Professions Council (HPC).

facing merger or abolition. It says the experience of the HAC is a timely reminder not just of the challenges of reform but also of the potential to improve the public's service and purse at the same time.

It says: 'The Hearing Aid Council (HAC) is an excellent example of how reforming public bodies can simultaneously boost public protection and generate significant cashable

organisation. Without the support of stakeholders and staff, such ambitious changes are very difficult to achieve. Where reforms protect or enhance quality of service, then it is much easier to get their support.

The report emphasises the importance of the Government spending time before

Mergers or abolitions are wholesale change processes that affect all aspects of an organisation. Without the support of stakeholders and staff, such ambitious changes are very difficult to achieve

The current Government is also committed to reducing the number and scope of public bodies as part of the Budget Deficit Reduction Programme and the Treasury announced ahead of the June budget that it will save over £600 million by slashing the number of quangos. There are 766 Non-Departmental Public Bodies (NDPBs) spending £46.5bn a year.

To help those who lead and work for public bodies, the HAC has published a report highlighting 10 lessons for other public bodies

savings... Under the HPC, consumers are better protected and the industry saves over £1 million a year.'

A key theme in the HAC's report on how to make reforms a success is the importance of aiming for simultaneous improvements to public service and efficiency. Proposed reforms that aim solely at efficiency, at the expense of quality of service, it says, are unlikely to deliver the desired savings.

Mergers or abolitions are wholesale change processes that affect all aspects of an



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announcing reforms to ensure they are in the public interest and what legislation is needed to bring them about.

It says the Government originally proposed transferring the HAC's powers to a new super-regulator in the Office of Fair Trading but these plans failed to win stakeholder support. It was then decided the HPC would be a more suitable home. But legal advice was unclear on how to achieve this and it took two years longer than expected to pass the required legislation.

This process had made it difficult for the HAC to maintain momentum behind the transfer and stakeholder support. The report says the public bodies being reformed should play an important role shaping legislation to make sure it is right for those affected.

Once reforms are proposed, the report insists it is up to the leaders of public bodies to get the delivery of reforms right. This means investing a great deal of time with partner organisations, especially when merging or moving functions to another body.

The HAC and HPC had early on agreed on the benefits of closing the HAC, the common language they would use, and the principles that would underpin their joint working. They had spent time understanding each other's cultures and how their

The reports says new skills, new teams, new job roles are needed to answer a whole new set of questions. Business as usual is over. A new culture might be needed to manage this most major of changes

organisations operated at senior and departmental levels.

Abolition or merger affects everyone. The reports says new skills, new teams, new job roles are needed to answer a whole new set of questions. Business as usual is over. A new culture might be needed to manage this most major of changes. Then, careful planning and excellent communication are vital to understand how reforms affect staff, what will happen to data and assets and the impact on governance and audit.

With the closure of the HAC, it says, public protection has improved as the HPC has broader and more modern regulatory powers. At the same time, industry is saving over £1 million a year in fees since the HPC's scale makes it a more efficient regulator.

The report concludes: 'The HAC's experience proves that abolishing public bodies can be done to the benefit of public service and the exchequer. But it is also a cautionary tale against underestimating the complexity and work involved in making such big reforms a success.'

- *Copies of the HAC's report, **Getting more for less from public bodies: 10 key lessons from the abolition of the Hearing Aid Council**, can be downloaded from www.thehearingaidcouncil.org.uk. To discuss any issues raised, please contact the HAC's former Chief Executive, Sandra Verkuyten OBE, on changes@thehearingaidcouncil.org.uk.*

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Three steps to improvement

A telephone and online consumer advice service is delivering savings and impartial advice

The Office of Fair Trading (OFT) is in the final phase of a three-stage programme to transform its consumer advice service Consumer Direct, a project that has already delivered significant benefits to users and reduced annual costs by around a third.

A telephone and online consumer advice service that handles around 1.7 million calls and emails from consumers each year, Consumer Direct provides advice to help consumers resolve issues and delivers an essential service to local government by supporting the work of Trading Standards Services.

The programme has expanded the scope of the service to include the provision of specialist advice on energy and post issues, increased consumer benefits to 13 times running costs, and made it easier for Trading Standards and others to access important data.

On completion of the final phase next year, the service delivered to consumers and partner organisations will be further improved, while costs are expected to reduce by an additional 34%.

Vivienne Dews, Executive Director at the OFT said: 'Consumer Direct empowers consumers by providing clear, practical and



Consumer Direct empowers consumers by providing clear, practical and impartial advice and information - *Dews*

impartial advice and information. This supports the Government's commitment to encourage, support and enable people to make better choices.'

Launched in 2004, Consumer Direct operates through a network of telephone contact centres and the internet. Delivery is outsourced to a mix of local government and private sector suppliers. It handles consumer contacts on behalf of 96% of the approximately 200 Trading Standards Services across Great Britain.

Dews said: 'This is more cost effective than having the service delivered locally and ensures a more consistent service across the country. The service also provides important market data and information about consumer problems that may require enforcement or other intervention by OFT, Trading Standards or other agencies.'

Initially, Consumer Direct comprised 11 contact centres, one in each of the English regions, Scotland and Wales. Small scale by industry standards, having between 12 and 50 advisors, the centres were run by separate contractors, frequently on different contractual terms and conditions. Delivery was supported by incompatible and, in some cases, unsuitable technical infrastructure, provided by a number of different suppliers.

The first stage of the change programme began in 2007, when the OFT was asked to transfer the provision of advice to energy and post consumers to Consumer Direct. As the existing systems were not designed to cope with the requirements associated with the new contacts, the OFT set up a 12th centre to deal with complaints from

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Vivienne Dews at the launch of the Know Your Consumer Rights Campaign

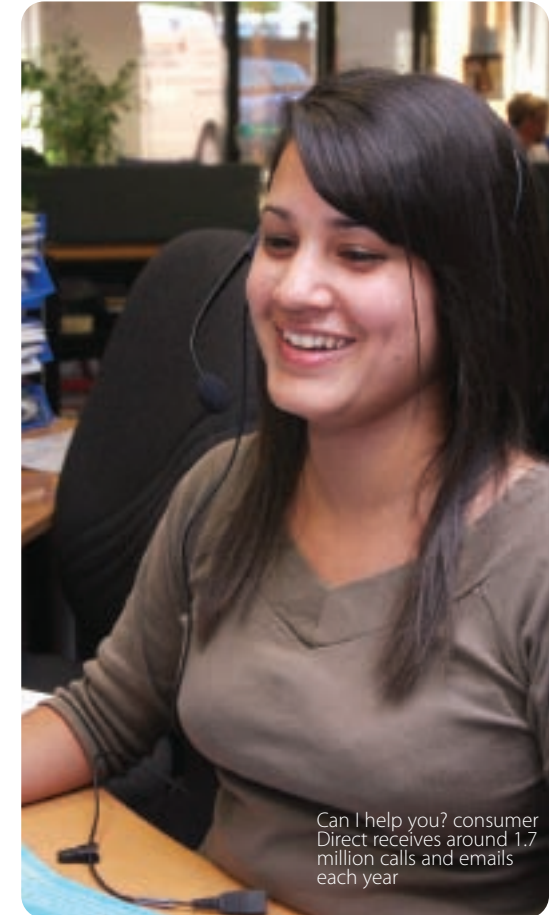
energy and post customers.

The second phase of the project involved negotiating new contracts with nine centre suppliers, introducing common contract terms, closing two centres and implementing common case handling systems across seven centres. It generated significant efficiency gains and annual cost savings of £1 million.

In the third and final phase of the programme, the OFT is working towards appointing a single provider, responsible for all aspects of the service in order to achieve greater value for money and to deliver a better service.

Five competitive bids to deliver the service were received and OFT hopes to enter into a new, more cost efficient contract soon. A key feature will be flexibility, allowing for contact volumes to be reduced if required. Equally, the volume of contacts could be increased at a competitive price, allowing Consumer Direct to take on new business.

Dews said: 'Transforming Consumer Direct to improve our service to consumers and partners, while improving value for money in the face of shrinking budgets, has been a major challenge. Crucial to the success of the programme to date has been retaining the support of organisations that rely upon Consumer Direct, not least local authority Trading Standards Services.'



Can I help you? consumer Direct receives around 1.7 million calls and emails each year

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Tags that tell tales

The behaviour of penguins, jellyfish and eels is better understood thanks to electronic devices that track the movements and behaviour of marine life, says Mike Challiss

From their early beginnings in 1992, data storage tags (DSTs) have evolved into highly sophisticated electronic devices that enable

researchers to track the daily movements and behaviour of marine life for up to two years. Research projects using DSTs have not only

improved our biological understanding of fish stocks, but enhanced our ability to monitor their movements and identify a whole range of complex behaviours.

An ongoing example is the Eeliad project. European Eels are a commercially important species and in serious decline. The Centre for Environment, Fisheries & Aquaculture Science (Cefas) is currently leading a four-year EU tagging project focusing on the migration of eels to spawn in the Sargasso Sea. Already we're getting some astounding results, the most unusual of which was the recovery of a tag from an eel released on the west coast of Sweden.

From the data received we were able to determine that the eel travelled about 1,200 miles when it was eaten, probably by a shark. Two weeks later the tag passed through the shark and floated to the surface, where it was eaten by a seagull and finally deposited on a Scottish beach.

Cefas provides marine evidence and impartial expert advice to support decisions



Pick up a penguin:
Tags can track the daily movement and behaviour of marine life for up to two years

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Tags that tell tales

about our seas and their resources. Much of this evidence is used to underpin marine policies in the UK and Europe. The results from tagging programmes have featured widely in this advice, particularly in the creation of fisheries models and predicting how stocks will react to environmental changes.

Although Cefas tags have always been designed by our in-house electronics team, a major development was made when Cefas took over the funding and commercial support of the product range, bringing the production, engineering and sales processes in-house. This approach has driven our ability to ensure a high-level of quality control and create a customer focused team dedicated to delivering new and innovative products used across the world. Our sales growth has not only recovered initial costs, but also enabled us to re-invest, ensuring we keep pace with developments in sensor technology.

The resulting range of tags are market leading products offering considerable advantages over their competitors, both in capability and price. Developments have included extended storage capacity, a reduction in physical size and weight, fast logging options, water switches (to detect when the tag enters the water), accelerometers (to enable changes in direction to be



Our sales growth has not only recovered initial costs, but also enabled us to re-invest, ensuring we keep pace with developments in sensor technology - *Challiss*

accurately determined) and multiple battery life options that meet differing deployment requirements.

Modern DSTs have enabled scientists around the world to extend their understanding of the behaviours of species as varied as jellyfish, penguins, falcons, mink, and even wild boar. Knowing that important decisions about managing the marine environment are benefiting from the application of our tags makes everyone in the team very proud.

In the five years of developing DSTs, Cefas has grown sales in excess of 1000 units per year. Annual turnover has doubled and now exceeds £300k per annum. In addition, we now export over 50% of tags to overseas customers. The secret to our success is in producing a world-leading product that combines a deep understanding of the needs

of scientists, strong leadership in electronic design and production capabilities that are certified to ISO9001.

Our success in bringing the DSTs to market has brought real energy and enthusiasm for exploiting our know-how. We're currently developing a range of innovative electronic and sensor products for the marine environment. These include mooring locators (a tracker device to ensure assets deployed in the marine environment remain in place) and handheld data capture system for data collection in hostile environments.

- Mike Challiss is an Electronics Team Leader with Cefas, an Executive Agency of Defra

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More about ACE

ACE is the UK Association of Chief Executives of Arm's Length Bodies. It is an inclusive organisation open to chief executives and senior managers who report to chief executives, working in central government Executive Agencies, Non-Departmental Public Bodies, Non-Ministerial Departments and Trading Funds. Other chief executives of public sector organisations are able to apply for membership, but approval of membership will be subject to the agreement of the Board.

ACE promotes effective government and provides networking and learning opportunities for its members. ACE was formed in 2004 and exists to promote excellent working relationships throughout all aspects of government. It will seek, on an annual basis, to:

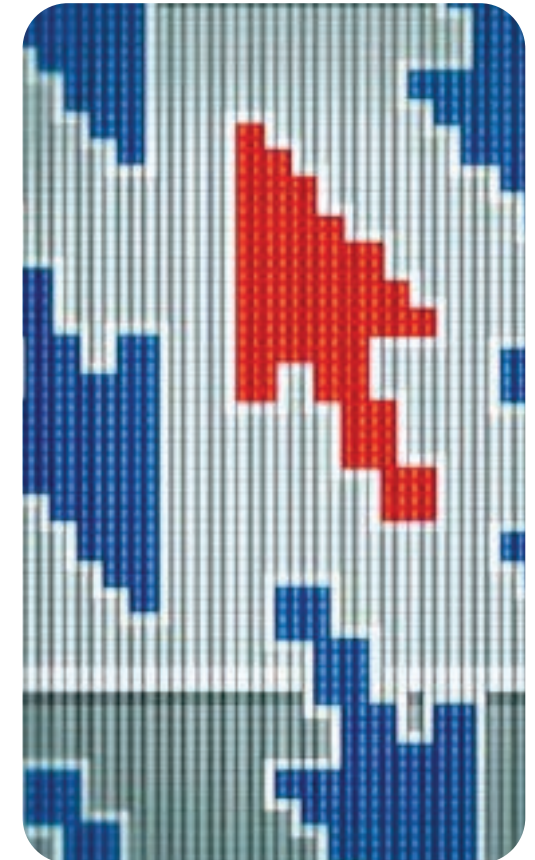
- Generate the opportunity for networking on the basis of an up-to-date database of contact details and specialisms
- Produce regular newsletters for the purpose of promoting and sharing good practice, experience and knowledge
- Organise an annual conference
- Organise two events which:
 - Highlight priority areas of action for government

- Offer specific opportunities for networking across the public and private sector
- Provide a point of contact between the Civil Service Steering Board (CSSB) and the Association and its members

In undertaking the above, ACE will neither seek to involve itself in policy development nor representative lobbying. Neither will ACE have the power to make decisions that would bind one, any or all, of the members. ACE is funded from member subscriptions.

The ACE London headquarters is located in the heart of Westminster and provides a range of facilities for members. This quiet and private location is ideal for relaxing, reading the current journals, meeting a colleague or simply having a cuppa. You can use the dedicated computer terminal to access the internet and read your emails.

- For a location map click here: http://www.solace.org.uk/contact_hope_house.asp



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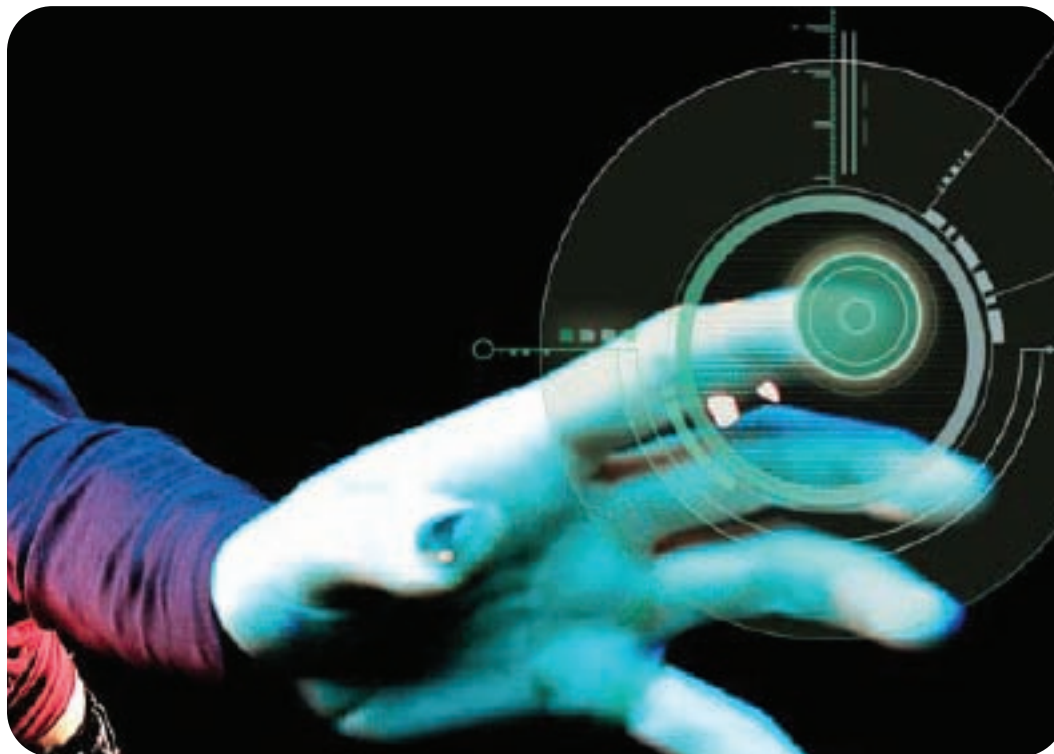
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What's more, we recognise that some readers will want minute detail on certain topics while others will have different requirements.

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