

Case Study

South Oxfordshire & Vale of White Horse District Councils

Fit for the Future Programme

In brief:

- In 2007/8, SODC recognised a need to find ways of improving effectiveness and efficiency in service delivery, and thus appointed Alexander to perform initial service reviews. Through a series of projects, a proprietary FARIC approach and methodology was applied - identifying opportunities to increase value delivered, reduce 'waste' and develop understanding of how to sustain efforts in continuous improvement.
- The projects were completed in less than 4 months and produced on-going annual savings of over £558k following implementation of recommended changes. Simultaneously, project and service team members gained new skills, knowledge and experience.
- In 2009, the merge of senior management in South Oxfordshire and Vale of White Horse District Councils led to the development of a corporate change programme – branded 'Fit For The Future' (FFTF) – which aimed to fundamentally challenge thinking at all levels within the council in order to optimise quality, effectiveness and efficiency.
- Through 2010/11, as the new management structure took shape, the FFTF programme was reviewed, and Alexander were asked to undertake further work which involved reviewing working policies, processes, and activity through a series of structured and facilitated workshops in each service area, in order to map service processes, identify opportunities for reducing waste, and increase productivity and then redesign shared service processes.
- The changes implemented in this phase of FFTF delivered on-going annual savings of £800k and enabled the councils to maintain and improve services. They decided, therefore, to extend the FFTF programme into 2011/12.
- Whilst delivering some £3.25m of net annual savings and return on investment of x5 across both councils as at the end of 12/13, the FFTF programme has helped improve service quality, customer satisfaction and enabled culture change, placing the councils in a good position to sustain improvement for the foreseeable future.



Think with us ...

If you're reading this, then you're probably just like us, always curious about new ways of working.

The aim of our case studies is to promote sharing of knowledge and from it thought leadership. We hope this study helps you think through and explore some of the issues we now face.

Your questions and feedback are welcome.

Call us on 023 8022 5520 or email keira.howard@alexander-ecc.co.uk.



In 2007/8 South Oxfordshire District Council (SODC) was a well-performing council with good financial reserves.

This position had been reached as a result of the council's efforts to improve cost effectiveness in service delivery through initiatives such as the outsourcing delivery of Revenues & Benefits, Leisure and Waste services.

However, anticipating the effects of the financial crisis and resulting economic downturn, the Chief Executive – supported by councillors and council leaders aiming to deliver low council taxes and build council services for the future - recognised a need to continue to find ways of improving effectiveness and efficiency in service delivery.

Anna Robinson, one of SODC's strategic directors, had attended a workshop delivered by Alexander consultants that focused on application of Lean Systems Thinking to Local Government services and recognised an opportunity to apply the concepts, methodology and tools in order to achieve improvement in quality and effectiveness of service delivery whilst reducing 'waste' and the cost of service delivery.

She then initiated a programme of service redesign based on Lean Systems Thinking principles and appointed Alexander through a competitive tender to carry out a series of initial service reviews.

Initial service reviews

In March 2008, Alexander began working with an internal project team to review 3 service areas. The service areas chosen for these initial reviews were:

- Environmental services
- Planning services
- Housing services

The project team were trained in Change Management, Lean Systems Thinking and Alexander's proprietary FARIC approach and methodology.

Then, through a series of projects, Alexander consultants worked alongside project and service team members in applying the approach and methodology to core service delivery processes - identifying opportunities to increase value delivered, reduce 'waste' and develop understanding of how to sustain efforts in continuous improvement.

Outcomes

The projects were completed successfully in less than 4 months and resulted in project and service teams identifying opportunities to improve service delivery processes whilst reducing costs. On-going annual savings of over £558k were realised following implementation of recommended changes.

At the same time, project and service team members gained new skills, knowledge and experience – increasing their confidence in being able to sustain improvement efforts through application of Lean Systems Thinking to their day-to-day activities.

Fit For The Future

Around the same time South Oxfordshire and Vale of White Horse District Councils agreed to increase levels of shared services through the appointment of a joint Chief Executive, followed by appointments to a redesigned shared management structure for next 3 levels of management.

Seeking to build on the initial success, Anna Robinson gained support of senior management colleagues, council leaders and cabinet to extend the range of Lean Systems Thinking projects to cover all council services in a phased approach.

This led, in early 2009, to the development of a corporate change programme – branded 'Fit For The Future' (FFTF) – supported by the application of project and programme management governance, structure and processes.

A key aim of the programme was to fundamentally challenge thinking at all levels within the council as to what services should be delivered and how best to deliver them in order to optimise quality, effectiveness and efficiency. Again, Alexander was appointed to support the internal project team in implementing programme management infrastructure and governance arrangements whilst developing an improvement plan.

As part of this work, Anna Robinson saw the need to consider each function undertaken by a service and ask

We were able to set a different culture in the service about delivering quality services to our customers, taking a business-like approach, always challenging the value of what we do and continually reviewing our processes to reflect changing customer demands and needs.

As a result, we delivered real savings that staff identified and not the traditional ad hoc salami-slicing by senior management. The efficiencies delivered and sustained allowed us to absorb an increase in volume of work and achieve an increase in productivity.

Adrian Duffield,
Head of Planning



some fundamental questions about how they were delivered. In response, we co-designed with the client a 'Function Review' –based on Lean Systems Thinking – that was applied to each service area to fundamentally review and challenge the service provided based on understanding of community needs and priorities.

This enabled service managers and their teams to consider options re which elements of services to stop / start / reduce and / or improve. Heads of Service then presented the outcomes of 'Function Reviews' to cabinet and senior management for decision making and to gain their buy-in to proposed projects. As the new management structure took shape, the scope and focus of the FFTF programme was reviewed and Alexander were asked to undertake further work – building on the outputs of 'Function Reviews' – to identify the nature and scale of benefits that could be realised through closer working or alignment of service teams across the two councils.

Through 2010/11 and working with members of both councils' service teams, Alexander consultants reviewed working policies, processes and activity in the following areas:

- Finance;
- Customer services;
- Housing services;
- Legal services & Land Charges;
- Planning services; and
- The Cornerstone theatre and arts centre

Through a series of structured and facilitated workshops in each service area; to map service processes, identify opportunities for reducing waste and increasing productivity and then redesigning shared service processes, we were able to:

- Develop shared understanding of how services could be aligned and then integrated to sustain and improve reliability, consistency and quality in council services whilst reducing costs;
- Earn the trust of service managers and staff and their commitment to, first of all, implement initial changes and then seek to continuously improve;
- Build understanding and confidence of senior managers, council leaders and councillors in Lean Systems Thinking methodology that twin objectives of improving service quality and reducing cost are not mutually exclusive; and
- Provide light-touch intervention to identify opportunities for revenue and income generation.

The changes agreed and implemented in this phase of the FFTF programme delivered some on-going annual savings of £800k and enabled the councils to maintain and improve services whilst balancing budgets and not resorting to reserves.

Outcomes included:

- Harmonisation of service delivery objectives, policies and activities across South Oxfordshire and Vale of White Horse District Councils; and
- Development of a shared culture around performance management and service improvement – including the development of visual communication tools i.e. 'performance points'

Whilst recognising the significant savings realised, culture change, improvements in service performance and customer satisfaction levels, the councils also understood that, in the face of on-going budgetary pressures, they could not afford to relax their approach. They decided, therefore, to extend the FFTF programme into 2011/12 with a view to pursuing more radical ideas on service delivery models. Importantly, they also realised that savings might now take longer and require more fundamental change to realise. To that end, Alexander was appointed in late 2011 to provide consultancy support to phase 3 of the councils' FFTF programme.

FFTF phase 3

The objectives of this phase of the councils' transformation programme included:

- To achieve excellence and innovation in the delivery of services, ensuring the council were frontrunners in the development of innovative approaches that anticipates and respond to changing customer demands;
- To deliver annual savings of 10-20% of controllable budget across both councils (according to the level of savings already taken) for the next two years;

Stuart, Steve and Phil from Alexander brought challenge and fresh ways of thinking that changed the ways our teams were working. The introduction of visual management has helped teams focus on their top priorities and led to improved performance. Their support and guidance in developing management and problem-solving skills has resulted in increased confidence and individual development whilst going through difficult changes.

Sarah Longman,
FFTF Programme Support
Manager



- To streamline practices and processes to achieve more efficient and effective means of delivering services which meet the needs of service users and deliver improved value for money for council tax payers;
- To engage staff fully in the transformation programme such that they identify and act on matters for improvement on a continuous basis; and
- To assist the councils to develop their communication channel strategy, ensuring that plans were in place to address changing customer demand.

The objectives necessitated Alexander consultants working with service managers to:

- Deepen insight into the needs of customers, service users and other stakeholders and increase understanding of how value is added for those stakeholder groups
- Reinvigorate self and peer challenge on alignment of current service delivery models and value streams with stakeholder needs
- Build on experience in outsourcing and partnership working to explore and evaluate a full spectrum of options from 'in house' to 'commissioned' services

This involved application and adaptation of a range of organisational design and development tools as well as building on tried and tested methodologies applied in previous phases of the transformation programme.

In particular, some projects within this phase were planned, managed and delivered by council managers and staff with the support of the FFTF programme manager whereas others were led by Alexander consultants. This maintained the development of internal capacity and capability for change leadership and management.

The phase included:

- A fundamental review of ICT strategy where, working with technology specialists and council managers, a 'strategic journey' was defined for refreshing and integrating IT infrastructure and applications in order to support more flexible service delivery models and enable realisation of the councils' service management strategies
- Designing a new service model for Building Control to introduce a more commercial approach and compete more effectively with external consultants for higher value work
- Designing a new structure for the Development Management service, based around customer groups, that provides an improved service, working across two sites with reduced resources.
- A review of the HR service model to increase 'self-service' capacity / capability through systems development
- A review of performance and change management methodologies to increase internal capacity and capability for leading and managing change
- A new marketing and business development strategy at one of the civic halls to increase value to local community and improve financial sustainability.

Alongside these projects and building on the relationship of trust and confidence, we also acted as coach / mentor to individual service managers – helping build their change leadership capability through the actual delivery of change in their service areas.

Summary

Alexander established a long-term and successful relationship with South Oxfordshire and Vale of White Horse District, starting with application of Lean Systems Thinking to individual processes and then extending across teams and whole services.

Whilst delivering some £3.25m of net annual savings and return on investment of x5 across both councils as at the end of 12/13, the FFTF programme has helped improve service quality, customer satisfaction and enabled culture change that places the councils in a good position to sustain improvement for the foreseeable future.

These achievements together with other innovative initiatives undertaken by the council have been recognised through nomination of the councils for a number of national awards.

Alexander is an independent change management consultancy that specialises in strategy alignment, performance management and improvement.

For further information please contact Keira on 023 8022 5520 or email keira.howard@alexander-ecc.co.uk.

Our service received 1-1 consultancy support which was insightful and invaluable. The process not only challenged my thinking, but encouraged me to challenge the data that informed my decision making.

The problem solving tool is excellent - it keeps you focussed and on track to deliver improvements and better customer service, however the introduction of performance points is one of the biggest improvements across the service. We've developed them together so that they are meaningful and foster individual, team and service accountability. They are also a great way to share our successes.

Michelle Yankah,
HR Business Partner

Alexander People - what we believe

Alexander people are business people who are passionate about public services. We take what's good from the private sector and shape it to meet the demands and challenges of public service. So when we look at the world and see what's wrong, our instinct is not to complain about it, it's to do something about it. This means that, when we look at our own company, we don't just look at its performance as a business; we look at the difference we make to changing public services and society for the better.

The people who manage and deliver public services today face huge challenges. They deserve someone to think with and people who can help to do the things they haven't the capacity to do themselves.

That's why we **engage** and connect with the people at all levels in public services who face these challenges.

Then we help them **challenge** the way things are.

So that they can deliver real **change** for the better.

That's what we do: **Engage. Challenge. Change.**

There's a belief that, without a profit motive, there isn't enough to drive public services to be better. We say that the stakes couldn't be higher. For people who work in and with public services, if we fail, society fails. We believe this is the most powerful driver there is.

Alexander People - what we do

Knowing where to go and how to get there

- Strategic & organisational review and diagnosis
- Shared vision
- Transformation strategy
- Transformation blueprint
- Stakeholder engagement
- Change readiness
- Communications

Delivering customer value with less resources

- Lean Systems Thinking
- Service transformation, design and improvement
- Shared services
- Function and service reviews
- Options appraisals and business case development

Enabling change to happen

- Programme and project management
- Change Management and benefits realisation
- Building capacity to change
- Skills and knowledge transfer

Making change sustainable

- Leadership development
- Management development
- Continuous improvement strategy and culture
- Skills and knowledge transfer

We work with...

Alexander works with people & organisations in the public sector, including:

- District Councils
- Unitary Authorities
- County Councils
- Housing Associations
- Police Services
- Health Services

If you'd like to talk about how we can help you, call us on 023 8022 5520.

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