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delivering
public service
transformation
2008

front office shared services – may 2008

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foreword



As Chair of the Local Government Delivery Council, I am delighted to introduce this new report, which highlights the tremendous range of activity now underway at all levels to transform our public services.

The report is a continuation of our 2007 research into front office shared services, which was jointly sponsored by the Local Government Association, Communities and Local Government, the Cabinet Office and the Improvement and Development Agency.

That research, full details of which can be found at www.idea.gov.uk/foss, set out a vision of locally-led public service transformation, with local authorities playing a key leadership role, coordinating activity, brokering change and mobilising resources. It demonstrated how transformation is already being delivered through projects the length and breadth of the country in ways that are having a real impact on local citizens and businesses.

Much has happened in the year since our original research was published.

At national and regional level, a range of policies, performance frameworks and support structures are now in place to promote and facilitate local action, including the Local Government Delivery Council itself, which I believe has a crucial role in bridging central policy-making and local practice. Chapter 2 of this new report summarises the key elements of this new framework and explores the implications for local public services.

Meanwhile, at local level, transformation continues at an ever-increasing pace. Chapter 3 of the report highlights the new skills that local authorities and their partners are developing around customer insight, engaging citizens and businesses, working collaboratively and managing complex programmes of change.

Chapter 4 looks at some key partnerships that are now maturing – partnerships with the Health Service and Third Sector, and across the different tiers of local government. Chapter 5 then briefly reviews how we are transforming our

own organisations, including governance structures, service channels and workforce skills and capabilities.

Of course, there remains much to do, and many challenges ahead. Chapter 6 addresses issues such as how to manage complexity, improve our use of information and continue to develop the effective support for local transformation. In short, how to turn challenges into transformational opportunities.

As a chief executive, I recognise that talk of transformation can often seem abstract. The key driver for me, elected members and colleagues is to deliver sustained improvement in the services that matter most to local people and to deliver value for money to the communities we serve. It is about improving the life chances of looked-after children, meeting the needs of an ageing population and making sure that all parts of our community have adequate and affordable housing and decent jobs. It's about promoting safer, cleaner and stronger communities.

However, I passionately believe that we will deliver our ambitions for our communities if we seize the opportunities that the transformation agenda is presenting to us all and really start to address key transformational issues – How can we understand our customers better and design and deliver local services more effectively? How do we forge effective partnerships with other local public service providers? How do we inspire our staff to do the best job possible and work in new ways? How can we make best use of scarce resources and minimise duplication and inefficiencies?

I hope you find this report informative and thought-provoking. It provides a wealth of information and, as before, we have deliberately let local projects speak for themselves by using extensive examples and quotations throughout.

I would like to thank everyone who has contributed to the research, particularly people in local authorities and their partners who were so generous with their time and information. I and my Local Government Delivery Council colleagues look forward to continuing our work with you on this exciting agenda.

Janet Callender

Chief Executive, Tameside MBC

Chair, Local Government Delivery Council
and member of the Delivery Council

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chapter 1 transformation revisited

a vision of public service transformation

In our 2007 report *Delivering public service transformation*, we set out a vision of how local public services could be radically reshaped in order to operate in a more integrated and efficient way.

In the report, we stressed how most of the truly important outcomes for citizens – greater quality of life, stronger economic performance, better health, less crime – can only be achieved in partnership, and how truly effective public services would be sensitive to the demographics, geographies, physical and social infrastructures and needs and preferences of different localities.

We highlighted the vital role that local authorities should play at the heart of their communities as strategic leaders and ‘place shapers’, mobilising local citizen and business involvement and coordinating local public service activity.

This vision reflected thinking at national level about how to transform services.

‘Our vision is of revitalised local authorities, working with their partners, to reshape public services around the citizens and communities that use them.’

*Strong and Prosperous Communities.
The Local Government White Paper 2006*

our 2007 report

Delivering public service transformation then reviewed the progress that local public services were making towards realising this vision.

Its findings were based on a programme of research that was jointly funded by the Local Government Association (LGA), Communities and Local Government (CLG), Cabinet Office and the Improvement and Development Agency (IDeA) and drew on the experience of a wide range of public service organisations throughout England.

In particular, we analysed 16 detailed case studies of projects where councils and their partners had come together to develop ‘front office shared services’ (FOSS) – joint approaches to service delivery based on a collective understanding of customer needs, common goals, integrated processes, cross-skilled staff and shared infrastructures, including accommodation and ICT systems.

These studies were supplemented by a paper *Engaging the workforce in service transformation*, which reviewed the implications for managers and staff.

Overall, we concluded that many front office shared services projects were already blossoming and that local partners were taking a lead in transformation.

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Delivering public service transformation argued that integrated, locally focused public services offer real opportunities for transformation because they can simultaneously:

- give citizens and businesses more power to shape services
- allow public agencies to operate more efficiently
- offer staff and elected representatives opportunities to work in innovative ways
- meet both national and local policy goals

Copies of all the 2007 FOSS material, including the main report, detailed project case studies and workforce paper, are available at www.idea.gov.uk/foss.

the view from 2008

Much has happened in the intervening year since the original report was published.

Government thinking on transformation has been crystallised in a series of policy documents. New support structures are emerging at regional level, through which central funding will increasingly be channelled. Meanwhile, work has continued locally to develop new skills, new partnerships – including with citizens and businesses themselves – and new organisational models and competencies.

This latest report provides a snapshot of local service transformation as of early 2008. It retains a primary focus on front office shared services, but discusses other work relevant to transformation as appropriate.

The report reviews the new policy landscape, analyses emerging areas of practice that can be built upon and, where appropriate, highlights continuing barriers to progress. It does not pretend to be comprehensive, but rather represents an informed review of trends. As before, it tries to let the hard work going on at all levels speak for itself, through ‘pen portraits’ of projects and quotations.

To support this new report, we have developed seven thematic papers, each of which explores in more detail a key area of transformational activity, such as ‘customer insight’ or ‘citizen engagement’, and is illustrated by real examples of local practice.

However, much of our 2007 research, and the conclusions we drew from it, remains relevant. Indeed, as part of our review, we contacted all 16 of our original case studies, as well as a range of other projects. We therefore recommend that you see our 2008 report and thematic papers as complementing last year’s material rather than superseding it.

We hope you find the current documents both stimulating and useful.

chapter 2

mapping the national and regional landscape

There have been a number of key developments at national and regional level in the last year.

- Comprehensive Spending Review 2007 has been announced and a cross-government Service Transformation Agreement put in place, building on the recommendations of Sir David Varney's review, *Service transformation: a better service for citizens and businesses, a better deal for the taxpayer*, which was published in December 2006;
- the Local Government and Public Involvement in Health Bill has been enacted, with a strong focus on empowering citizens and promoting cooperation between public service partners;
- a new performance management framework for local government has been agreed, incorporating a 'transformation indicator' (NI14) and proposals for Comprehensive Area Assessment that continue to be developed;
- new governance and support arrangements for steering transformation have emerged, including a Local Government Delivery Council.

In this chapter, we briefly examine each of these developments and assess their implications, as they set the context for local public service transformation.

Comprehensive Spending Review 2007

The Spending Review sets out the Government's ambitions for the public services for the period 2008–11.

The financial aspects of the Review have been extensively analysed, in particular the requirement to achieve at least three per cent cashable savings per annum over the CSR 2007 period.

Perhaps less commented upon, but clearly stated within the Review, are the objectives of ensuring excellent outcomes and personal experiences for all users of public services, as well as value for money for the taxpayer, by putting users at the heart of service delivery and giving front line staff more freedom to drive service improvements.

Ways in which the Government sees these ambitions being achieved are by:

- strengthening people's voice in service provision;
- delivering increasingly personalised services;
- enabling service providers and the public to work collaboratively;
- enhancing the accountability of local services;
- reaching out to all sectors of society, including hard-to-reach groups;
- harnessing the expertise of other sectors, including voluntary and community groups;
- working with individuals and businesses to encourage behavioural changes.

Many of these themes are already being addressed locally, as we shall see later in this report.

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the Service Transformation Agreement

The Spending Review will be implemented via 30 Public Service Agreements (PSAs) that commit central government departments and their partners to achieving agreed cross-government outcomes in areas such as:

- sustainable growth and prosperity (PSAs 1–7)
- fairness and opportunity for all (PSAs 8–17)
- stronger communities and a better quality of life (PSAs 18–26)
- a more secure, fair and environmentally sustainable world (PSAs 27–30)

Underpinning all these PSAs is a Service Transformation Agreement, whose overall aim is to

‘change public services so they more often meet the needs of people and businesses, rather than the needs of government, and by doing so reduce the frustration and stress of accessing them’.

A key objective is therefore to reduce the number of unnecessary contacts that people have with government.

The Service Transformation Agreement identifies six areas of strategic action that are required to deliver its vision of service transformation:

Learning from citizens and businesses: by taking an evidence-based approach to understanding people’s aspirations, needs and behaviours, including directly engaging them in the design of services.

Grouping services in ways that are meaningful for the customer: by developing integrated packages of public

services that respond directly to the day-to-day needs of citizens.

Rationalising services for efficiency and service improvement: by reducing the proliferation of websites, help lines and front offices that often make little sense to those using them, and enhancing the opportunities for benchmarking.

Making better use of the customer information the public sector already holds: by ensuring that the public services are able to establish the identity of a person with confidence and pass relevant information securely between different parts of government.

Linking local and central government: by encouraging close collaborative working between central departments and local government bodies, including the alignment of performance measures and governance structures around transformation.

Engaging front line staff: by harnessing the energy and insight of front line staff and engaging them in delivering transformation.

The Home Office is leading a work stream on identity management and the Ministry of Justice is focusing on information sharing.

The Tell Us Once project is exploring the potential for a service that would allow citizens to report change of circumstances just once, with government responding in a coordinated way. The project will focus initially on the reporting of births and bereavements, followed by changes in address. Local government is seen as a key partner in the project and three councils – LB of Southwark, Rotherham MBC and Wolverhampton MBC – have acted as Stage 1 pilots. A wider range of authorities will participate in the second stage of the project.

Part 7 Section 138 of the Act places a duty on local authorities to involve representatives of local persons (for instance, residents, service users or community groups) in the exercise of their functions. The duty may include providing information, consulting or involving people in some other way.

the Local Government and Public Involvement in Health Act 2007

The scope of the Act is well understood and will not be covered in detail here. However, it does reinforce many of the themes of CSR 2007 and the Service Transformation Agreement, in particular:

The need for local public services to work closely together: for instance, the Act requires local authorities and designated public service partners to co-operate in agreeing targets within Local Area Agreements and empowers overview and scrutiny committees to review the actions of local partners in relation to these targets.

The need for public bodies to transform: in the case of local government, this will involve significant structural change as new unitary authorities emerge. However, the two-tier pathfinders are also being encouraged to develop new models for more integrated and efficient working.

The need to empower and engage citizens and communities: through new electoral and leadership arrangements and a 'community call for action'; by allowing greater flexibility to create parishes and other forms of community governance; by requiring best value authorities to secure the participation of representatives of local people in service design and delivery; and by placing new duties on local authorities to foster patient and public involvement, both in the NHS and in social services.

the new local performance management framework

A key development under the Act is the introduction of a new local performance framework, aimed at

'replacing the range of current issue-specific performance indicator sets and reducing the reporting burden for local authorities'

(CSR 2007 p37)

As is well known, the components of the framework include:

A national set of 198 indicators: which support the main Public Service Agreements and other strategic objectives, and against which local authorities and their partners will be expected to report. This set includes a 'transformation' indicator (NI14) which focuses attention on reducing avoidable contact, defined as 'unnecessary, valueless contacts which are both frustrating for the customer and inefficient for the provider'.

'Avoidable contact' can include contacts prompted by unclear information or signposting, by missed appointments or by multiple requests by different departments within a local authority for the same information. Effective action on NI14 will require a good understanding of customers' needs, the reasons why they contact their local authorities and the ways in which different access channels are, and could be, used. Councils will need to review their internal processes to understand the value that each step does – or does not – add to delivering information or services.

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Negotiations at local level between Local Strategic Partnerships and Government Offices to determine Local Area Agreements:

each LAA will have at its core up to 35 local improvement targets selected from the 198 national indicators, complemented by 16 statutory targets on educational attainment and early years. Targets can be set at the most appropriate level – from neighbourhoods to county-wide, or even at sub-regional level through Multi Area Agreements.

Strong performance management:

through regular self-assessment but also through external challenge in the shape of Comprehensive Area Assessment. The new CAA framework will include as one of its key elements an assessment of the risks to agreed outcomes (including LAA targets) being delivered locally, taking into account, for instance, the strength of local partnership working.

The framework therefore places a heavy emphasis on the public services working effectively together, in a mature and open way, to understand and meet the needs of particular localities, with local authorities and their leaders galvanising collaboration between partners and engagement with their communities.

‘The starting point for delivering better outcomes is for local partners to create a shared vision and a shared sense of priorities for a place. The vision will be set out in a Sustainable Community Strategy. The success of the strategy will depend on three key enablers: effective engagement; strong local leadership; and sound evidence’.

‘Effective, evidence-based and constructive dialogues will need to take place at all levels of government to agree priorities and commit to the action needed to deliver them’.

‘We are also asking much more of local strategic partnerships, as the negotiators of new-style LAAs, than we have in the past’.

An introduction to the local performance framework – delivering better outcomes for local people. HM Government and the Local Government Association, 2007, pages 13, 17 and 22.

national and regional support

A range of bodies now exists at national and regional level to steer and support transformation. These include:

The Delivery Council

The Delivery Council helps to steer activity around transformation across government, including the development of appropriate skills and capacity. It links to the Cabinet Secretary’s Civil Service Steering Group and is chaired by Sir David Varney, the Prime Minister’s advisor on service transformation.

Its membership includes senior decision-makers from across central government departments. Local authorities are represented by Paul Coen, Chief Executive of the Local Government Association, and Janet Callender, Chief Executive of Thameside MBC and chair of the Local Government Delivery Council (see below).

The Delivery Council has an active work programme which encompasses the activities of the Contact Council and Customer Insight Forum discussed later.

One of the key tasks outlined in the Spending Review is 'improving the management of the public sector asset base to underpin service delivery, taking forward the recommendations of the Lyons Review of Asset Management'. The LGDC, working in collaboration with DWP and HMRC, will be undertaking a programme of activity in this area. The programme will investigate the opportunities for taking an integrated, area-based approach to rationalising the face-to-face outlets of key public service bodies, based on customer insight, including the development of one-stop shops, joint teams, mobile services or other appropriate arrangements.

The Local Government Delivery Council (LGDC)

The LGDC was established in 2007, under the auspices of the Local Government Association, in order to drive forward local service transformation. Its role is to provide a link to central government on this agenda, to highlight, learn from and share good practice already underway locally and to identify the support required and the blockages that need to be overcome if transformation is to become a reality.

The LGDC is chaired by Janet Callender, Chief Executive of Tameside MBC and a member of the main Delivery Council. The LGDC's membership includes senior local government officers from all nine regions of England, with unitary, district and county councils from rural and urban areas all being represented. Key partners from central government and other sectors, including the Third Sector, are also included in the membership.

The Council has an active work programme which it will be taking forward across the CSR 2007 period.

The Contact Council

The Contact Council reports to the Delivery Council and oversees all matters relating to customer contact across the public sector. Its membership includes a number of local authority representatives.

The Contact Council's recent work has included:

- producing a blueprint for public sector contact centres;
- developing and launching a set of best practice performance indicators for public sector contact centres;

- issuing guidelines on the formal accreditation of publicly funded contact centres;
- liaising with the Ministry of Justice on a review of public sector telephone help lines.

The Customer Insight Forum

The Customer Insight Forum brings together heads of customer insight from across central government departments and aims to establish a culture in government that values insight and is willing to act on it. There is a parallel Business Insight Forum, and a Local Government Customer Insight Forum has recently been established under the auspices of the LGDC.

The Customer Insight Forum has produced a number of publications and guidance notes relevant to its remit, including:

- developing a primer on customer insight in the public services;
- publishing advice on establishing an effective customer insight capability in public sector organisations;
- issuing guidance on customer journey mapping;
- producing guidance to central government departments on improving the consistency and comparability of customer satisfaction measurement.

The National Improvement and Efficiency Strategy

The National Improvement and Efficiency Strategy was developed jointly by Communities and Local Government and the Local Government Association to support local authorities' drive for better and more efficient local services.

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At its heart are the Regional Improvement and Efficiency Partnerships (RIEPs) which have been formed through the merger of Improvement Partnerships and the Regional Centres of Excellence.

Governed by the sector and co-ordinated nationally by the Chief Executives' Task Group, which includes the chief executive lead from each Partnership, the RIEPs will be the focal point for support for councils and will have the role of developing and leading the implementation of regional strategies.

Key areas of focus will include:

- performance improvement, including support for LAAs and MAAs;
- procurement, business process improvement and shared services;
- workforce issues, staff planning and development;
- innovation, dissemination of good practice and benchmarking;
- ICT benefits realisation and infrastructure.

In a speech on the 18th March 2008, Local Government Minister, John Healey, announced the allocation of £185 million through council-led RIEPs to pioneer innovative ways to transform and improve services and cut waste. The Minister praised councils for their performance on efficiency savings and noted that 'the drive for high quality local services and good value for money is rightly coming less from central government and more from local communities'.

An important supporting document is *Prospectus 2008: the guide to improvement and efficiency support*, which provides an outline of the range of support available from local and central government.

the continuing role of Communities and Local Government (CLG)

As well as its overall role in co-ordinating policy for the local government sector and in negotiating key agreements such as the Central-Local Concordat which was signed in December 2007, CLG has developed specific packages of support.

The sector value for money plan *Delivering Value for Money in Local Government: Meeting the challenge of CSR07*, for instance, sets out a route map for meeting the efficiency challenge of CSR 2007 and touches upon a range of issues including leadership and change, business process improvement, collaboration between public bodies, use of technology, procurement and asset management. It also maps the organisations that can support local authorities and their partners.

Meanwhile, the Business Process Improvement Package (www.bip.rcog.gov.uk) provides practical resources developed and tested by local government to support transformation and customer services projects. Its aim is to help local authorities to:

- develop a clear understanding of their business processes, transaction costs and customer preferences;
- exploit the opportunities for partnership working and shared service delivery;
- support the sharing of ideas and learning and to build capacity in relevant approaches and techniques.

This resource has been complemented by the publication of *Delivering efficiency: understanding the cost of local government services*, which sets out useful approaches to benchmarking and assessing costs.

the implications for local services

What underlying implications or messages can we draw from this range of activity related to transformation?

The policy landscape is now clearer and more stable. While nobody would pretend that all the initiatives above are fully worked out and implemented, we have clearly come a long way in the past year and the objectives and supporting structures for the Spending Review period are now largely in place.

It is also clear that transformation as a concept has moved far beyond the largely technological bias that was apparent in the e-government programme and the early days of the Transformational Government agenda. Transformation is now firmly focused on helping to achieve outcomes for citizens and businesses, with information technology as a supporting tool, albeit an important one.

Financial pressures should stimulate new ways of doing things rather than business as usual. The tight spending round reflects macro-economic pressures beyond the scope of this report. However, the Government clearly hopes that restricted finances will encourage public service bodies to think in innovative ways about how they deliver their services – whether this means sharing infrastructure with neighbouring authorities, focusing on the avoidable contact that they are currently handling or commissioning Third Sector organisations to act as delivery partners. ‘Business as usual’ is not likely to be a sustainable option.

There is a real emphasis on locality. The emerging structures – from the new LAAs and performance management framework through to the proposed co-leadership by local government of

major areas of work, such as the review of face-to-face assets – suggest a greater acceptance of local variation and a much keener appreciation of the value of local authorities and their partners by central government.

Councils are being offered greater autonomy and greater opportunities to place themselves at the heart of their local ‘eco-system’, orchestrating local public services. But, as a consequence, they will be expected to demonstrate real improvement.

‘It is now for councils to take up these opportunities, go further in cutting waste, and deliver the world-class services that local people rightly expect’.

John Healey, Minister for Local Government, March 2008

Partnership is the only game in town.

The Government’s ambitions for CSR 2007 will only be met by through partnership. No single organisation will have the knowledge, skills or resources to deliver the outcomes being envisaged – indeed, the financial pressures on many smaller authorities, in particular, will make partnerships the main source of capacity to meet local aspirations.

Partnership will be required between central and local government, across tiers of local authorities, between organisations in the public, private and Third Sectors and between local, regional and national bodies. It will also be required with citizens and businesses themselves, as taxpayers and service users.

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Imagine the richness of an approach to customer insight that brought together the perspectives of all the organisations and people in a local area, informed by relevant national comparisons and data, and then involved them in the delivery of the resulting strategy.

Engagement and relationship building remain critical – at the core of successful practice, rather than a time-consuming distraction. Traditional technical and functional expertise will need to be complemented by a broader set of competences around collaborative working.

It will be important for senior members and managers to have these competences, but they will be equally important at the operational level, where front line staff will increasingly be working on a day-to-day basis with colleagues in other local public service organisations.

Engagement within our organisations is critical. Managers need to involve front-line staff in developing new systems and new ways of working and to convince them of the benefits of changing traditional practices and taking on new roles.

Information is a vital resource. Political and managerial judgment will remain crucial, but taking decisions on 'gut feel' is becoming inadequate. The increasingly rich and coherent information that councils have been able to extract from their telephony and computing systems over recent years, together with more sophisticated analysis of service users' behaviours and aspirations, continue to challenge pre-conceived ideas – that people in lower-income brackets, for instance, are not interested in using on-line services.

Information will be at the core of effective and relevant community planning. It will be the basis for new insights into people, places and performance. Information management and analysis is a skill for the future for local government.

Making the link to day-to-day practice will be important. The authorities who benefit most from the new frameworks will be those that ask themselves questions such as:

- 'how can we build the 3% savings target into our business planning process to really help us identify our key priorities?'
- 'how can we use the NI 14 indicator on avoidable contact to challenge outdated and silo-based practices?'
- 'how could customer insight techniques such as journey mapping help us to improve our processes for having children adopted?'
- 'what support do we need from our RIEP and how will we ensure they provide it?'

Local authorities must seize the day.

All of the above is deeply familiar to local authorities, who traditionally have been at the heart of activity in their areas. The new policy framework offers the chance to go far beyond compliance. Senior Member and managers who use it as a lever for change within their areas are most likely to succeed in making 'transformation' more than an empty buzzword or the latest fad.

It is always tempting to think that new approaches or solutions will provide the 'magic bullet' to achieve transformation, whether this is customer insight, or one-stop shops or the latest ICT system. In reality, transformation will depend on a combination of these approaches, applied in ways that make sense to different local communities and that can be sustained in the longer term.

chapter 3

transforming locally: new skills and techniques

In parallel with the national and regional developments outlined in Chapter 2, a great deal of activity aimed at transforming services continues to take place locally.

This chapter looks at some of the work underway to develop new skills and techniques, such as customer insight, citizen engagement, effective partnering and the management of transformation programmes.

Chapters 4 and 5 will look at the new partnerships and new organisational models and competencies that are also emerging locally.

developing customer insight

a core skill

Customer insight is at the heart of the Government's transformation agenda.

'Deep insight into customer needs, behaviours and motivations, plus the ability for citizens and businesses to have better information on the services we offer, are all important for the design of public services.... Citizen or business insight is the starting point to answering this challenge'.

Service transformation: a better service for citizens and businesses, a better deal for the taxpayer, Sir David Varney, December 2006, P24

Local authorities, of course, have always had many sources of customer insight, including the knowledge built up through the day-to-day activities of front-line staff and service managers and the contact that elected members have with their constituents. However, more recent approaches place a strong emphasis on 'systematising' this insight so that it can be used consistently both to confirm and challenge existing preconceptions and practices.

Discussing his authority's customer insight programme, one senior local authority manager stated that one third of the results were already known, a further third provided data for conclusions that had been suspected but were unproved and the final third offered genuinely surprising insights.

In particular, modern approaches offer:

New techniques for understanding the way citizens feel about services.

Customer journey mapping, for instance, amongst other techniques, goes beyond traditional business processing mapping in order to explore not just the steps that a citizen has to take to receive a service, but also the citizen's likely emotional reactions at different points in that journey.

Rotherham MBC has used videos, photographs and storyboard diaries to record customer experiences as part of its Home Truths project. 'Home Truths is our most innovative and effective method for seeing services from start to finish and has allowed some of our most vulnerable customers to tell us how they really feel'.

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New sources of data that allow citizens and households to be grouped ('segmented') in ways that can aid decision-making.

A significant number of councils are now buying the socio-demographic information traditionally used by parts of the private sector, such as retailers, to plan store locations and marketing campaigns.

Two points are important here.

First, commercially available socio-demographic data is only a starting point for understanding a local area and must be complemented by other information.

The London Borough of Barnet's Information and Improvement Service, for instance, analyses a range of internal and external data sources, including resident movements in and out of the area and building and regeneration projects, in order to help understand the current and future needs of the borough.

Second, many sources of insight are already available at little cost to councils. Taking a 'customer insight' approach does not necessarily have to entail big expenditure on new data and systems.

For example, as well as buying some commercial data, the London Borough of Camden used the following sources of insight as the basis for its programme: discussions with front-line and other staff; satisfaction surveys; complaints and compliments; CRM system data; focus groups with residents and service users; information from service databases; data from partner agencies; and ONS statistics.

the benefits of using customer insight

What successes have already been achieved through a structured approach to customer insight at local level?

First, insight is helping to shape key strategies. At the Royal Borough of Kensington and Chelsea, insight work revealed that 85 per cent of the Borough's customers preferred to transact electronically, prompting the authority to offer more services via the Internet. Customer insight led the London Borough of Hammersmith and Fulham to redesign its access channels and to create three main customer-facing business units – Residents Direct, Cleaner Greener and Community Support.

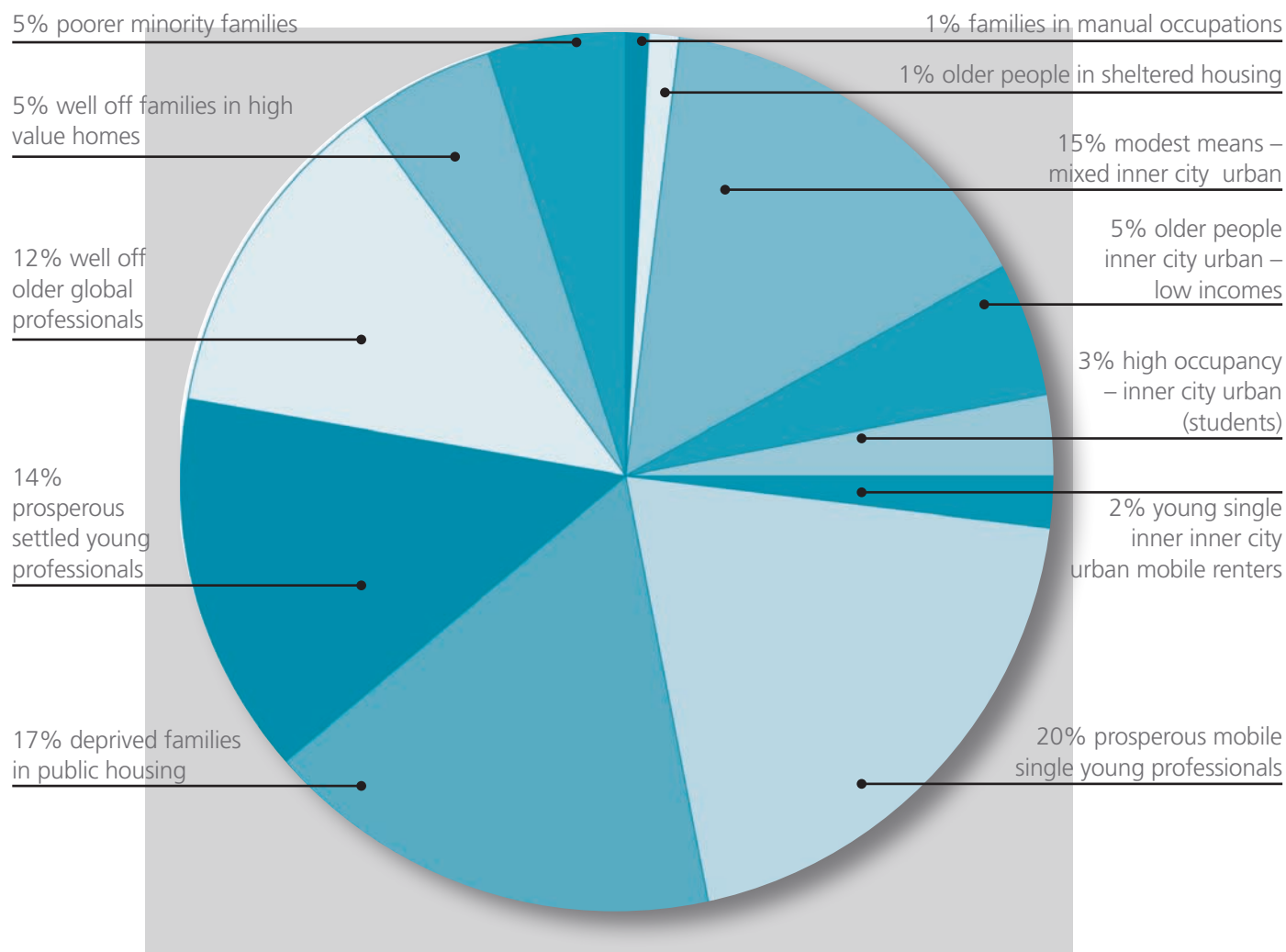
Insight is also being used to support local politicians in their day-to-day work, enabling them to carry out their activities more effectively.

'Our members are very supportive of the Information and Improvement Service that we have set up and it is supporting the ever-changing role of our councillors and their move towards greater community leadership. The business intelligence team provides members with ward profiles and they can access information about their area on-line'.

Senior Manager, London Borough of Barnet

Working with 20 councils, esd-toolkit (a secure, web-based community of local government practitioners) is developing guidance and online profiling features for millions of service transactions. These features will allow transaction data for all services to be recorded, including the profile of customers accessing each service by different channels. It will also be possible to record the cost of delivering each service through different channels so that cost savings from 'channel shift' can be modelled. All subscribing councils using esd-toolkit will benefit from the guidance and tools developed during the pilot, as well as from free ward-level demographic data, contributing to the wider roll-out of demographic profiling in the sector.

Customer segments in the London Borough of Hammersmith and Fulham



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Applying insight is making a difference to the way key services are designed and to customer satisfaction with these services. Rotherham MBC's Neighbourhoods and Adults Services Directorate has seen a direct increase in customer satisfaction with their services from 72 per cent to 96 per cent as a result of applying customer insight. Complaints have fallen in number and compliments increased.

Councils are better able to identify groups who are excluded from decision-making or services and to encourage participation and take-up. Staff at the London Borough of Barnet, for instance, collated a range of data to pinpoint groups within the community that were not responding to the canvass. A campaign increased registrations from 81 per cent to 88 per cent.

Meanwhile, insight data can provide an externally-focused and objective basis for discussions about citizen's needs and aspirations both within and between public service organisations – increasingly important in the context of the new structure of Local Area Agreements. The London Borough of Barnet's Information and Improvement Service is increasingly working with the council's partner agencies to share data and support a joined-up view of their residents.

meeting the challenges

However, there remains some scepticism about the relevance of the overall approach to the public services, coupled with a fear that customer insight is the latest 'fad'. The experience of CRM highlights the dangers of believing that a single approach or technology can solve all problems.

Questions are frequently asked about whether an investment in customer insight will offer any information that was not already known and whether any insight gained will actually be used in practice to reshape services (rather than remaining an interesting exercise), particularly if key departments remain unconvinced of the benefits.

'Research will only be valuable if it delivers insight that can be used for the basis of service transformation'.

How to Measure Customer Satisfaction: a toolkit for improving the customer experience in public services. Cabinet Office 2007

Smaller organisations, in particular, worry about the skills and investment required to implement and sustain such an approach, while, at national level, there is a concern to avoid every local authority buying data separately or taking its own approach, thereby spending money with commercial data providers and consultants that could be better used to improve local services.

Finally, it remains frustrating that national data collection processes do not always take into account information that would be useful locally and that valuable data remains locked in other public service organisations for reasons of cost or because of the apparent restrictions of Data Protection or other legislation.

the pre-conditions of success

Pre-conditions of successful customer insight approaches in the local public services therefore include:

- a clear vision of the role and meaning of customer insight in the local context;
- specific objectives that customer insight will be used to meet or problems it will help to solve;

As the Local Government Association pointed out in its February 2008 submission to the Data Sharing Review, administrative records belonging to central government departments – for example, those relating to tax, benefits, health and national insurance registration – contain information of great potential for improving local policy development and service provision. Some of these have been released in aggregated form, but usually not below the local authority level. Much of their potential remains to be tapped.

- good internal relationships and structures to connect the development of insight with the transformation of specific services;
- a focus on using insight already available within an organisation or partnership and on sharing skills and resources where possible, potentially via national procurement initiatives;
- continuing dialogue at local, regional and national level about what information is required to support local insight and how it can be legally and practically made available;
- adherence to nationally developed protocols to allow for insight to be shared on a consistent basis.

The Local Government Association, in partnership with the National Consumer Council and the IDEa, has produced a report called *Customer Insight – developing customer satisfaction measures for local government services*. The report accompanies a Customer Insight Protocol and Guide to Segmentation produced by Tetlow Associates working with Dr Foster Research and based on work with four case study authorities – Birmingham City Council, Somerset County Council, Taunton Deane BC and Uttlesford DC. The purpose of the protocol is to allow local authority data about the local population to be stored in ways which allow comparison with other similar data, so that a multi-faceted view of people’s perspectives can be built up.

With the right approach, however, customer insight can prove a cornerstone for transformation even within smaller authorities. Chorley Borough Council, for instance, although a medium-sized district council, has specifically invested staffing resources in developing customer insight within the authority. It works closely with

Lancashire County Council to ensure that both authorities can benefit from any information they gather. In order to ensure any insight is used, it has adopted a three-stage model that involves developing understanding, applying it to the design of services and then implementing the redesigned services, exploiting opportunities for e.g. channel shift in the process.

engaging citizens and businesses

building on experience

The theme of engaging citizens, businesses and service users in shaping their locality and their local public services runs through many of the discussions around service transformation and complements the focus on customer insight.

Under the Local Government and Public Involvement in Health Act (2007) authorities have a ‘duty to inform, consult and involve’. Meanwhile, the Audit Commission plans to include citizen engagement in its Comprehensive Area Assessment process which comes into force in 2009 and already routinely asks for evidence of engagement in its assessments, including engagement with diverse communities.

Engagement is often used loosely as a term. In the local context it can mean:

- involving existing or potential service users in the design, delivery or management of services – a service delivery perspective;
- giving people a voice in the policy decisions that affect their local area and that will be reflected in the Sustainable Community Strategy and Local Area Agreement – a democratic perspective;

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- increasing people's capabilities to contribute both to their own lives and to their local community, for instance by giving them new skills – a community development perspective.

David Wilcox has built upon Sherry Arnstein's well-known 'ladder of participation' to illustrate the different levels of engagement, which range from informing and consulting, through involving and collaborating, to empowering. Wilcox's model is outlined in our more detailed paper *Engaging citizens*.

Like customer insight, however, this is an area where councils already have a great deal of practical experience they can draw upon. For instance, many of the skills required for engagement already sit in groups such as Equalities Units, since the duties to ensure gender, disability and race equality all require consultation or involvement in their implementation.

the benefits of engaging

Work at local level has already shown the benefits that different types of engagement can bring.

In Leeds, the Disability Reference Group highlighted problems experienced as a result of delays in the installation of minor adaptations to people's homes (such as grab rails or ramps). It helped identify that the delays were caused by the requirement to have a full assessment at a particular level of spending, coupled with high demand on the staff carrying out assessments. By raising the threshold at which an assessment was required, the backlog was quickly cleared and minor adaptations could be installed within a few days of the initial request, rather than several months later by which time the needs of the individual had often changed.

This speeded the delivery of simple adaptations, freed up staff time to do more complex work, and increased the quality of life and independence for disabled people.

Working closely with local people and organisation can also create more responsive public service organisations. The London Borough of Haringey, for instance, has developed local area assemblies which inform service planning and improvement. The assemblies have an explicit brief to 'engage local people and broker service improvements'.

Engagement can foster a greater sense of control and accountability over local services and assets. Chorley BC has handed over the management of the community centre in one its most deprived wards to local people, furthering the Borough's work on community cohesion.

Citizens living near North Somerset's For All Health Living Centre were involved in its design and planning, ensuring the Centre is firmly rooted within the local community.

Finally, engagement may enhance the skills of local people. As well as providing relief for isolated and vulnerable individuals through its services, for instance, Croydon Neighbourhood Care Association offers training to its volunteers in areas such as food hygiene, first aid and working with blind people. The skills that volunteers develop help to improve their employment prospects for the future.

The involvement of older people in North Lincolnshire's Fresh Start project has increased the relevance, effectiveness and impact of the services provided. The project has also reduced public sector costs by keeping older people active and healthy for longer, thus reducing demand on high-dependency and high-cost services such as residential care homes or preventable NHS treatments.

meeting the challenges

However, there remain a number of challenges to successful engagement.

It remains difficult to get to the right people, particularly very excluded groups, whose voices may not be heard through traditional approaches.

The London Borough of Haringey identified that the local Charedi Orthodox Jewish community, despite growing in numbers, was making very little use of services and remained the hardest to reach group in the Borough. As well as doing a lot of project work with the community to ensure its needs are addressed through mainstream services, the authority has also established a new Children's Centre (in collaboration with the London Borough of Hackney) and provided new stock and professional support for an orthodox library based in a resident's home. Spin-offs have included parent and toddler groups, benefits advice and commissioned youth provision. Charedi representatives now attend Area Assemblies, Friends of Parks groups and a focus group between the Charedi voluntary sector and Adult Services. The Haringey Young People's Panel is inviting a youth representative from the orthodox community to contribute to its work.

Authorities need to employ the right mix of tools. Chorley BC deliberately uses a variety of methods in order to reach a wide range of people. These include:

- citizens' panels
- listening days
- community forums
- website and phone surveys
- postal questionnaires

The Borough also targets specific groups such as young or disabled people.

Establishing the right governance structures is critical. North Lincolnshire's Fresh Start programme, which focuses on services for older people, addressed the issue of governance by establishing a number of local management committees, each comprising six older people. The committees select the services that will be delivered locally. The whole programme is overseen by an advisory group made up mainly of older people, as well as officers and professionals from different partner organisations.

Local partners can make a big difference, particularly partners in the voluntary and community sector, which may have strong links with diverse communities.

The Leeds Involvement Project co-ordinates the involvement of disabled people, older people and many other groups, who then work in partnership with local authorities and other public service organisations to ensure that policies, procedures and services are delivered that are appropriate to those groups.

Authorities may need to overcome consultation fatigue or cynicism, and show concrete results. In Croydon, for instance, a Children's Fund is administered by Croydon Voluntary Action and offers funds to projects that enhance the social inclusion of young people. Children and young people are engaged in how the money is spent and have been able to see direct benefits, such as the Croydon Community Bus.

Finally, it is crucial to involve councillors, as the democratically elected representatives in their areas and as key sources of both insight and engagement. Chorley BC is involved in 'Lancashire Locals' where committees of the county and district councils are conducted in public, making councillors more accessible and decisions more transparent.

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Underpinning all these challenges is that of making the business case for engagement – not always an easy task when resources are tight and some of the benefits may be difficult to quantify. Yet effective engagement remains critical to transformation, helping to improve the way in which services are targeted, designed and delivered and therefore to meet the ambition of better public services at reduced cost.

partnering successfully

the new way of doing things

Successful partnering is a pre-condition of the transformation agenda. *The National Improvement and Efficiency Strategy*, for instance, published jointly in January 2008 by CLG and the LGA, established collaboration as the future of local public service delivery, envisaging:

‘councils continuing to lead their communities by effective partnership working, increasingly working across boundaries in collaboration with other councils and partnerships to deliver better, more efficient services’.

The new performance management framework, with the increasing responsibilities placed on LSPs and LAAs, and the focus placed on collaboration within Comprehensive Area Assessment, will add to the momentum of partnering.

Fortunately, as our FOSS research during 2007 demonstrated, there are already many examples of successful local partnerships to draw upon. Although partnering remains hard work, there can be few authorities that are not now involved in some form of shared service or multi-agency arrangement, whether

at local, county or sub-regional level.

The benefits of partnering

We look at specific types of partnership in the next chapter. Partnerships in general are delivering benefits in a number of ways.

They are developing joint approaches to citizen engagement and insight. Joint consultation through its citizens’ panel has enabled the Derbyshire Partnership, for instance, to identify customer requirements consistently across the county and its joint mystery shopping project has enabled partners to pinpoint areas for improvement.

Collaboration is resulting in more integrated services and processes for citizens and businesses. As part of the Warwickshire Direct Partnership’s work, the one-stop shop at Atherstone now hosts sessions with local partners in the voluntary sector, including the CAB and North Warwickshire Credit Union, to help people in financial difficulties. The use of the Credit Union is likely to extend to all one-stop shops across Warwickshire. Similar sessions with the DWP are aimed at improving take-up of Council Tax and Housing Benefits and other state entitlements. The customer insight gained from these sessions is fed back into the Partnership.

The very process of partnering offers new perspectives and opportunities. During its period of operation, Northumbria 101 proved to be ‘a catalyst to shared services among partners – in terms of letting them see what’s possible’, according to the project manager. The partnership eventually extended to the fire and rescue authorities, coastguards and the region’s Environment Agency.

London Connects' Invitation to Share Services has given partners clear ownership of all future projects. The pay-as-you-go model, with partners within the 33 London Boroughs opting in or out, means that projects have the full commitment of all the organisations involved. Such a broad base of partners means that separate clusters of authorities emerge, ready to go forward with different projects.

Where authorities are working in partnership, they have been able to develop new approaches to taking forward joint projects, as the London Connects example (left) illustrates.

Partnerships are also delivering efficiency savings, as well as increasing capacity. Three shared services projects which have been piloted by Chesterfield BC, Bolsover DC and North East Derbyshire DC, as part of the Derbyshire Transformation Partnership, have resulted in cashable savings totalling in excess of £100,000 per annum, as well as resolving previous issues around capacity and the ability to deliver the services.

addressing the challenges

Challenges remain, however.

In many cases, there is an initial need to overcome traditional, internally focused organisational behaviours (sometimes exacerbated by historic local rivalries) and to handle the often marked differences in status, power and budget between different partners.

The Warwickshire Direct Partnership takes decisions through a straightforward system of one-member-one-vote. Decisions are normally unanimous, although majority votes have sometimes been necessary. This approach prevents competitiveness or the larger partners dominating, and encourages open communications.

The approach to building real cross-organisational trust and learning needs careful thought. At Malvern Hills DC, part of the Worcestershire Hub, senior managers argue that finding a shared concern – such as the need to connect the County's activities around highways with Districts' street scene services – has allowed conversations and trust to develop

and has proved far less threatening than trying to find a 'big idea'.

It is important to spread risk and responsibility beyond one or two key organisations or individuals. London Connects has addressed this issue by agreeing projects with partners, setting up the work and then handing over to a lead organisation or partnership board. Like all the successful partnerships we investigated, it has its own dedicated (if small) Programme Office.

Meanwhile, building a business case (particularly at a time when finances are tight) and negotiating this through each of the partner's internal processes can be problematic. During its life, Northumbria 101 was able to demonstrate value by developing capabilities and services based on business intelligence that would not have been available to a single partner organisation. Its work on fly-tipping, for instance, was informed by all reports of incidents, whether to local authorities, police or other public bodies. Its Programme Office acted as a shared resource for all the partners.

Managing risks and benefits remains a major challenge for partnerships. The benefits of joint work may be significant but difficult to quantify (particularly where future costs have been avoided). Costs and benefits may also fall unevenly across the partnership or act to the advantage of other local organisations that are not part of the formal arrangement – creating a 'win-win-lose' situation that may nevertheless still offer overall value. During our 2007 research, we found that, in some projects, partners deliberately did not want to identify the costs and benefits to individual organisations for fear of undermining the collective will to invest.

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managing transformation programmes effectively

defining transformation

While there are many different ways in which transformation might be achieved, transformation programmes have some common characteristics:

- they aim to achieve radically better outcomes for both the organisation and its customers, typically reconciling service improvements with cost savings;
- they typically affect all parts of the organisation, and potentially a range of partners, and are sponsored by the top political and managerial leadership;
- they involve changing the shape of the organisation and the way in which people within it carry out their work;
- they are more than a series of ad-hoc, short-term projects, instead constituting an integrated and sustainable programme of activity, underpinned by a carefully thought-out approach, that becomes part of the organisation's 'way of doing things'.

Implementing a transformation programme therefore presupposes a corporate or 'whole council' approach. It requires acceptance of major change and a particular set of attitudes, skills and approaches.

'Transformation sits alongside continuous improvement. Managers are expected to do that anyway'.

Senior Manager, Birmingham City Council

putting transformation into practice

The evidence locally is that many authorities are now exploiting such programmes to produce better outcomes. In Surrey County Council, for instance, moving to a single contact centre as part of the authority's Business Delivery Review drove up customer satisfaction with contact resolution to 95 per cent within a six month period.

The programmes are also prompting new organisational structures that are more customer-focused and efficient. Chorley BC reviewed its top-level structures from a customer point of view, building on its involvement in national Business Process Architecture work. It has now moved to three directorates – Neighbourhoods, Businesses and Individuals – increasing its focus on particular customer segments as well as reducing overall management costs by 17 per cent. The authority is now looking to apply similar principles within departments.

Transformation programmes are drawing on the skills of all parts of the organisation to ensure success.

In Birmingham City Council, the HR function has played a key role in the authority's transformation. It has a direct role in one work programme, Excellence in People Management, which is moving the authority to a pay and grading structure where rewards are based on performance. However, HR has also supported other parts of the overall programme, providing specialist expertise and managing negotiations amongst other contributions.

Meanwhile, staff at all levels are being offered new opportunities to develop their knowledge and competencies. Surrey County Council's programme is not just driven by efficiency but by a

By the end of the first year of Maidstone BC's transformation programme, the borough had achieved cashable savings of £300,000, amongst other benefits.

desire to enable staff with new tools and knowledge. NVQs are potentially available to employees in a range of disciplines, including customer service and social care. These are valuable as they can be accredited and built upon and, for Surrey, are a key sign of a commitment to investing in staff.

Chorley BC is working on offering an NVQ in business improvement to staff. This is already available through the North West Centre for Excellence. The authority is training all 50 of its top managers, giving them the skills to drill down through the organisation to improve performance.

All this activity is taking place within the framework of carefully designed transformation programmes that combine a series of strands into a coherent approach that matches the objectives and size of the organisation. Maidstone BC's approach to transformation, for example, combines years of management experience and a range of techniques. The Borough has described it as a hybrid of re-engineering and management review that incorporates elements of performance management, productivity analysis and business modelling.

Birmingham City Council's transformation programme includes nine phased work streams. Five of these work streams are corporate and address topics such as efficiency, customer service, people development and asset and information management. The remaining four focus on specific service areas – adults' and children's services, housing and environmental services. Rigorous evidence gathering and analysis of each business case means the programme is resourced from the bottom up.

the challenges of transformation

Implementing a transformation programme remains a challenging undertaking, however. Authorities and their partners have learnt a number of lessons.

Keeping local politicians involved on a continuing basis is crucial. Executive members, as key policy-makers, are particularly central. At Surrey, buy-in from executive members has been achieved through presenting them with a clear picture of what can be achieved so that they can make an informed choice.

However, it is equally important to communicate with those members who are more focused on ward issues or on overview and scrutiny – so that they understand the rationale behind any programme and have the opportunity to influence the decision-making process, but also to encourage their feedback on the real impact on the ground.

The objectives behind the programme need to be explained to staff. A structured communications programme is a good starting point, but bottom-up engagement is also likely to be critical to success. At Birmingham City Council, a set of workshops had a great impact on 150 middle managers, prompting a 40 per cent improvement in support for transformation. However, the authority recognises it still needs to reach the many other middle managers and is keen to run road shows (although these are resource-intensive) as well as to exploit videos, web chats and other technologies as they become available.

People will have concerns about the impact on their jobs that must be addressed. The Chief Executive of Birmingham City

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Council made an explicit commitment to redeployment and HR created an 'Insource' function, which offered skills analysis and job placement support.

Suffolk County Council recognised that it was vital to remain 'a good employer' during the transformation underway at the authority.

Meanwhile, alongside the need to engage different parts of the organisation is the imperative to find the skills to implement the programme itself. The biggest skills gap for Surrey County Council, for instance, was in change management and culture change. A central team provides business process improvement support, but the authority recognises the continuing need for a strong pool of change agents, as well as external support.

Different authorities have taken different approaches to finding appropriate skills. Birmingham City Council recognised that its service heads were delivering huge operational services and that transformation required a different and at times conflicting skill-set. It therefore sought a private sector partner whose staff were seconded in on fully funded posts – the council did not want people working on its transformation programme 'as a sideline'. However, skills transfer is built into the partnership and the transformation plan is designed to cut the level of external support as each phase is implemented.

On the other hand, Chorley BC, as a medium-sized district council, has delivered nearly all its transformation activity with internal staff, supported by a central Business Improvement Team. The authority believes this has had the added advantages of winning over staff and making the programme sustainable.

Finally, there is the challenge of funding any initial activity as well as keeping transformation going, recognising that this is not a journey with a fixed end point, but rather a continuing and long-term process of cultural change and adaptation.

Many authorities have followed a similar arc here, reshaping the organisation initially in order to release savings for reinvestment in front-line services and further phases of transformation.

Chorley BC streamlined its management structures, developed a blueprint for transformation and cut duplication between services. Resources were channelled into customer service and front-line services, with savings used to redesign services around customers' needs.

Surrey CC reshaped its directorate structures and overall approach to service delivery, as well as implementing stricter purchasing processes. It has also made a shift to zero-based budgeting and used ICT to drive change. As well as enabling the council to fund its transformation work, this approach has had a positive impact on behaviours and attitudes within the council.

chapter 4

transforming locally: new partnerships

As our FOSS 2007 research showed, there are many different combinations of public service bodies now working together. Here we briefly review three types of collaboration that are particularly active at present or offer important pointers to the future:

- two-tier working (county-districts);
- local authority-health service partnerships;
- collaboration with the voluntary and community sector.

working across the tiers

The two-tier (county-district) arrangements in England remain open to the criticisms that they are confusing for citizens and represent a potential duplication of resources – however effective their individual services may be. There are also concerns that smaller authorities may increasingly lack the critical mass to operate effectively, particularly given the pressure on their finances within CSR 2007.

One response has clearly been to enable the creation of new unitary authorities within the Local Government and Public Involvement in Health Act and to establish a programme of two-tier pathfinders. However, the Government is also expecting to see change in the remaining county-district areas, with the Local Government White Paper setting out the goals of achieving:

- unified service delivery models with service users having no need to understand whether the county, district or other service provider is responsible;
- stronger leadership for place-shaping;
- shared back-office functions and integrated service delivery mechanisms.

In practice, significant developments are already underway, both in the two-tier pathfinder areas which have been given official status – Buckinghamshire, Suffolk, Dorset, Hertfordshire and Lincolnshire – and via other county-district collaborations.

In many of these areas, ambitious goals have been set. In Buckinghamshire, for example, the two-tier pathfinder programme is focusing on six key projects: procurement; demand-led transport; customer service; waste; community engagement; and support services. The support services project itself will look at six professional services – HR, ICT, Legal, Audit, Facilities Management and Finance.

There is also a lot of very practical work going on that will make a real impact on citizens and businesses in county-district areas. At the Buckingham Centre, staff from Buckinghamshire County Council and Aylesbury Vale DC sit side-by-side, dealing with each other's customers and queries and with access to each other's IT systems and databases. The centre regularly hosts Buckingham Town Council meetings, so three tiers of local government benefit from the centre.

In many cases, the partnerships between counties and districts are being used to test ambitious models of joint working and to assess the impact on the public's ability to access a range of services from a number of providers, including other local public services.

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The two-tier partnership in Derbyshire, the Derbyshire Partnership Forum, is currently overseeing the construction of the South Normanton Joint Service Centre. The partners involved include South Normanton Parish Council, Bolsover DC, North East Derbyshire PCT, Derbyshire Constabulary, Bolsover LSP and Derbyshire County Council. A wide range of services will be available under one roof, including day care provision for older people with physical or learning disabilities, health service clinics and health promotion, a GP practice and dental clinic, a library and adult education provision, a one-stop service point for district council services and a community police beat team. The Service Centre will also include a Children's Centre for pre-school children and it is envisaged that the private sector will provide a fitness centre as well as managing the kitchen/cafeteria. The Parish Council will be based in the building and local voluntary and community groups will be able to use the conference and meeting facilities.

Challenges to transforming services in two-tier areas remain, of course, including those of:

- developing appropriate governance arrangements;
- finding staff with the right skills, for instance in managing complex projects;
- overcoming fears over loss of accountability and control;
- communicating effectively between partners and with wider stakeholders;
- developing shared terms and conditions for staff.

We discuss these challenges elsewhere in this report.

developing social care

Developments in areas such as Children's and Adult Services, stimulated by legislation and organisational restructurings, are also encouraging new models of public service delivery.

These developments are often strongly linked to their Local Strategic Partnerships. For example, the Adults and Communities Well-Being Partnership in Barnsley is now well established under the LSP, 'One Barnsley' and is leading the delivery of 'Putting people First' and the development of self-directed support.

The partnerships are taking increasingly integrated approach to their senior management arrangements and, in some cases, making joint appointments. In Bath and North East Somerset, the PCT's Assistant Director of Children's Services is now effectively integrated into the Council's Children's Services senior management team. A joint director of commissioning is also to be appointed.

They are also setting up strong processes to engage both local citizens and voluntary and community sector organisations.

Public participation, involvement and representation have been enshrined in Barnsley's partnership arrangements (PIA) from the outset. The partnership jointly supports the Barnsley Participation Process via Voluntary Action Barnsley and Barnsley Arena (an independent 'involvement support' organisation). Formal communications with the third sector are organised via the Barnsley Community and Voluntary Network. Service users, carer and third sector representatives all participate as equal members on commissioning client boards.

These arrangements include the direct involvement of customer groups in organising services. The Active Living Centres being developed by the Somerset Partnership for Older People Project, for instance, are being set up as part of existing community groups as small social enterprises, thereby putting older people at the centre of shaping activities and running the Centres.

Partnerships in the areas of social care are also prompting new thinking about how to develop staff and to maximise the use of existing physical assets. In Bath and North East Somerset, joint training and organisational development are seen as critical in developing an appropriate culture, and effective teams and service delivery.

Again, challenges remain. Partnership in Action, Barnsley has identified a number of difficult issues, including:

- the financial pressures across the health and social care community;
- separate accountabilities and governance arrangements and multiple reporting requirements that place additional burdens on partnership arrangements;
- the ever changing context within which the partners work, particularly given the different cultures in the NHS and local government.

working with the third sector

The Local Government and Public Involvement in Health Act, along with a range of recent policy documents, has placed great emphasis on the role of the third sector as a key partner for local government.

Working alongside local authorities, other public bodies and the private sector, third sector organisations are seen to have a unique contribution to make to local strategic partnerships and LAAs. In 2007, the Cabinet Office and HM Treasury produced a report on the future role of the third sector in social and economic regeneration, while the Third Sector Strategy for Communities and Local Government acknowledged 'the increasingly important role of the third sector in the design and delivery of services'. Two national indicators specific to the third sector (NI6 and NI7) have been developed.

'The third sector can play a vital role in developing high-quality services the public rightly expects'.

Phil Hope, Minister for the Third Sector, in The Guardian 19th March 2008

Working with third sector organisations potentially brings a number of benefits. They can offer special insight into the needs of particular localities or customer groups, as well as more innovative, personalised and responsive services, often based on specific experience or expertise.

The London Borough of Croydon, for instance, approached the voluntary group DisabilityCroydon to provide information, advice and support to disabled people and their families living in the area. The Borough recognised that DisabilityCroydon 'was closer to understanding the needs

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and aspirations of people with disabilities' and commissioned the group to have a 'hands-on role in restructuring and developing a more person-centred service'.

Third sector organisations can promote better links to different parts of the community, particularly those groups who are most hard to reach through traditional local authority channels, where appropriate acting as advocates on their behalf.

Rushcliffe's First Contact signposting scheme, for example, is a multi-agency service offering older people access to a range of preventative services through a single contact. The service enables and encourages the take-up of services through trusted and known professionals and volunteers, who advise on appropriate services within the older person's home.

The Quirk Review focuses on how to optimise the community benefit of publicly owned assets by considering options for greater transfer of asset ownership and management to community groups. The review is being taken forward through a number of pilot projects, working with over 20 local authorities.

Needless to say, there remain challenges for local authorities in working with the third sector and vice versa.

For a start, there is no single 'third sector' but rather a great variety of different organisations, ranging from very local community groups, focused on a particular issue or locality and run by volunteers, through to national charities operating local branches and backed up by substantial resources and professional staff. Local authorities need to understand this variation and find ways of engaging with the diverse groups within their localities.

Croydon's Community Network, for instance, was set up in 2002 to co-ordinate the participation of different communities and the voluntary sector in the Croydon Strategic Partnership. The network involves some 350 members along with 15 linked networks. It acts as the collective voice for communities and local organisations in Croydon and represents their diverse interests.

Given the small scale of many of the organisations in the sector, they can find it difficult to work with local government and, in particular, to find the resources and expertise to bid for service contracts via the often complex procurement processes required.

Capacitybuilders (www.capacitybuilders.org.uk) is a non-departmental public body that was set up in 2006 to build the capacity of the third sector, while Futurebuilders England (www.futurebuilders-england.org.uk) is a government-backed funder offering support and investment to third sector organisations to deliver public services.

Similarly, it can often prove challenging for third sector organisations to negotiate funding arrangements and to fit easily within the performance management requirements of their local authority sponsors.

Recognising this problem, Gloucester City Council carried out a review of funding arrangements with the third sector. The project team included six third sector representatives and two staff from the council's community development team. They analysed the strengths and weaknesses of the current funding system and researched and discussed new practices. The aim is to create a more sustainable third sector presence in

the locality, enhancing the sector's role as a provider of services, creating a less time-consuming system and ensuring a partnership approach to setting outcomes.

Finally, both sides need to work hard at building trust and commitment, with local 'compacts' potentially providing an excellent vehicle for developing effective working relationships. The Local Strategic Partnership in the Derbyshire Dales and High Peak area, for instance, signed up to the 'Derbyshire Compact', which covers funding, consultation, policy development and other areas of good practice.

The IDeA is currently running a Partnership Improvement Programme, which aims to support local government and the third sector in finding local solutions to local challenges. A report on the pilots of this programme can be found at <http://www.idea.gov.uk/idk/core/page.do?pageId=5145516>.

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chapter 5 transforming locally: new organisational models and competencies

Alongside new skills and new partnerships, local public service bodies are developing their own organisations to be fit for purpose, increasingly within a partnership framework. This is evident in a number of areas:

- governance structures;
- channels;
- internal processes and infrastructures;
- workforce issues.

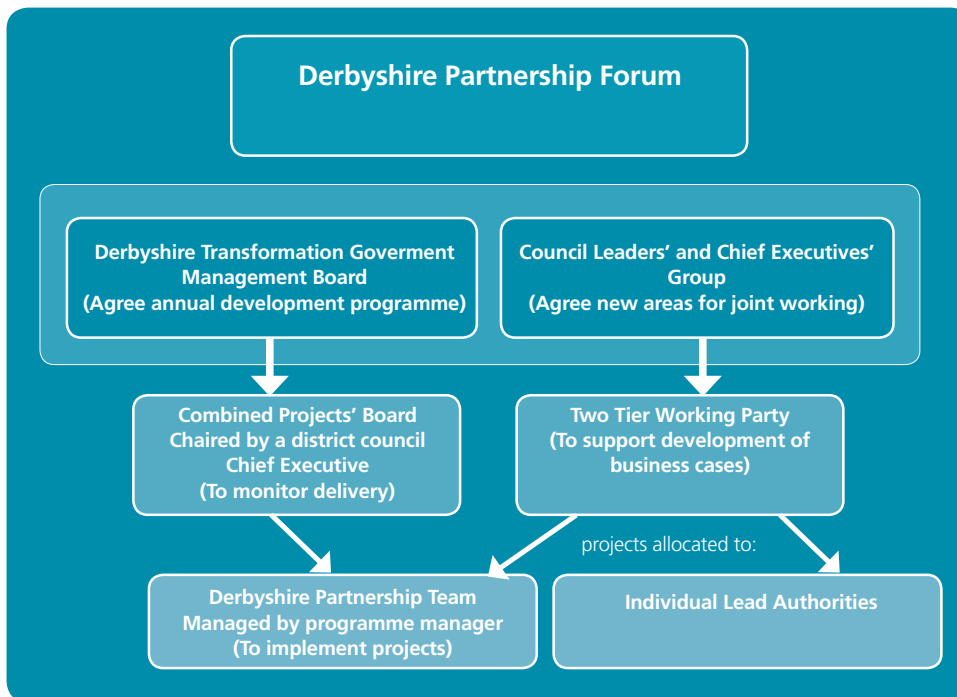
This chapter briefly examines each of these topics.

governance structures

The challenge of linking strategic visions and agreements both with the communities they are meant to support and with day-to-day activity on the ground remains significant and will be particularly crucial if the targets agreed locally through the new LAA process are to be met.

As a result, we are seeing increasingly sophisticated governance arrangements at local level. The Derbyshire Partnership, for instance, has put together an Enhanced Partnership and Two Tier Working Protocol that sets out its vision, ambitions and commitment to future joined-up working in Derbyshire. The lead members for all authorities are committed to the protocol and meet jointly with local chief executives on a bi-monthly basis to oversee the development and implementation of the programme.

Diagram of Derbyshire Partnership Forum structure



In Lambeth, the new Gracefield Gardens NHS Primary Care- and council-run customer centre offers a home to local GP and NHS primary healthcare services (such as nursing, foot health, midwifery and therapy services) as well as to a range of complementary council functions, including an older persons' social care team, a 'team around the child' social care team and Customer Centre services. A 'meet and greet' function is carried out by council employees on behalf of all the services in the building, offering signposting, appointment checking and booking, and support in using the self-serve facilities. Shared electronic 'information walls' complement the provision of basic information by staff.

Meanwhile, the Somerset Partnership for Older People Project (POPP) is governed by a board with representation from Health, District Councils, the Voluntary Sector and Somerset County Council. A reference group gives a voice to representatives from the wider POPP partnership.

channels

Local partners are continuing to develop their use of individual channels, including their use of contact centres and the web.

In October 2007, for example, London Connects, working in partnership with the Food Standards Agency and a range of other bodies, launched 'Scores on the Doors' as a subset of its ReportIT service. Scores on the Doors is a search mechanism on the Your London portal showing environmental health food safety scores for all London local authorities. The service gives the public access to food hygiene information in an easy-to-understand way. It has also allowed London authorities to implement a common and consistent scheme at significantly lower cost than using existing commercial alternatives.

These developments are typically set within an overall channel strategy for their localities. Following a successful bid for Pathfinder status, for instance, the Dorset Pathfinder Programme has created a Dorset Customer Access Board, of which Dorset for You will be an important vehicle in helping to deliver an integrated approach to customer access.

Of particular significance, given the challenge set by CSR 2007 for the public services to manage their asset base better, is the very innovative work on face-to-face contact that a number of local authorities are leading. Our 2007 FOSS research highlighted a range of excellent

examples, including the work being done at Sunderland's Bunny Hill and through the Kent Gateway. But new projects are also emerging.

In some areas, these developments are now forming part of a wider, cross-organisational review of asset holdings and usage.

The joint Derbyshire property rationalisation project is looking at property owned by the County Council, District Councils and other partners on a district by district basis. A data gathering exercise has already taken place and base data on all local authority property in Derbyshire is now held on the Partnership's geographical information system. Consultants have been appointed to evaluate the data and to provide future recommendations on the future use of property.

internal processes and infrastructure

There is increasing evidence of joint approaches to tasks such as process improvement and benefits realisation.

The partners in the Bury St Edmunds Public Service Village, for example, are seeking revenue savings from working in a more efficient building and from integrating both front and back offices across their organisations. An integration work stream has been specifically established within the programme to help deliver these efficiencies.

Meanwhile, in Derbyshire, the use of business process improvement techniques underpins many of the Partnership's projects. Standards have been promoted from an early stage and ensure a consistent approach across partners.

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Arrangements for ICT infrastructure and support are also being pooled.

At the Gracefield Gardens centre in Lambeth, the ICT infrastructure has been designed to allow full flexibility in the future, with the ability for staff to access both PCT and council systems for a single workstation. Where possible, the PCT and council have used joint procurement and framework contracts.

In Derbyshire, a joint e-recruitment system is used by eleven partners and subsequent shared HR activities are being considered as a result. An ICT project is reviewing the options for sharing staffing resources to undertake database development and support.

The Local e-Government Standards Body aims to drive forward the take-up of standards in local government, thereby helping to create more accessible organisations, better targeted and more efficient services and more effective partnerships between local public service bodies.

workforce issues

Last, but by no means least, are the innovations in staff and workforce development that are taking place at local level.

At a day-to-day level, these are giving people new skills and perspectives. Council staff working in the Gracefield Gardens centre in Lambeth have been trained by the PCT in both general health service information and procedures and the use of PCT computer applications. Joint training is also an option. In Derbyshire, the partners' customer service teams are looking at the potential for developing a joint customer service training programme.

However, innovation also extends to the overall management and development of staff. Surrey County Council, for instance, has established a major HR programme – 'Investing in Staff' – to complement its business process improvement activities. This involves a substantial investment in training, soft skills and core management capabilities, delivered across the organisation, within a competency framework that covers all staff.

In some authorities and partnership, the transformation agenda is prompting a very radical rethink of structures and the roles and skills required of staff at all levels within the organisation.

As part of its 'Securing the Future' programme of transformation, Suffolk County Council has moved to a new operating model, where services such as project and programme management, procurement and contract management will now be handled centrally rather than in individual council directorates. The council has also developed a new set of 'transformational competencies' that include leading by example, creating an environment of trust and prioritising corporate over service-specific objectives. These competencies are reflected in a revised personal development review process. All managers from Assistant Director upwards are attending a leadership development programme with a particular emphasis on transformational leadership.

Giving people new skills is only part of the challenge, however. The task of winning people's commitment to new ways of working, thinking and behaving is even more significant. A particular difficulty here is that we may be asking very experienced professionals and staff to 'unlearn' particular practices, which can be very

The most recent version of the local government workforce strategy – Local government: the place to be, the place to work – was launched in November 2007. The document outlines five strategic priorities around people management over the coming years, including organisational, leadership and skills development, recruitment and retention and pay and rewards. It sets out the action needed locally, regionally and nationally and the challenges for leaders and chief executives as well as for human resources managers.

stressful at a time when there may be fears over changes to job roles and locations.

Meanwhile, real practical issues, such as differences in staff pay and terms and conditions between partners, can cause tensions if not handled properly.

As well as having a planned and active approach to communication and engagement (to help address the inevitable spread of rumours) and strong involvement of staff representatives and trade unions (particularly where radical changes to job roles or even job losses are being proposed), it is valuable to have workforce issues highlighted at the most senior levels. At Tamworth BC, for example, the Assistant Chief Executive with responsibility for organisational development, HR and reputation management sits on the management team for the transformation programme.

Engaging staff in the process of transformation is also crucial. The London Borough of Lewisham, through its Frontline Leadership Academy, runs a 'Make a Difference' staff suggestion scheme, which helps build transformational skills. Unlike traditional schemes, staff have to produce a business case and project plan to support their idea, which must fit within the authority's corporate objectives. Ideas are presented to a panel of senior officers and members and those that are chosen are then managed to fruition by the member of staff, who may take responsibility for managing the project budget and negotiating with suppliers.

Finally, building commitment to a shared local vision for customers can help to mitigate the differences in rewards and terms and conditions between organisations in the short term. In the future, however, local public services,

and the councillors and senior managers who lead them, may need to think much more radically about options such as pooled budgets (given at least half of costs relate to the workforce) and inter-agency staff transfers, as well as about how mechanisms such as job evaluation systems can be redesigned to reward partnering¹.

Integrated workforce strategies, spanning a range of local partners, are likely to have an increasingly important part of play in service transformation, not just by addressing operational issues such as recruitment and training, but also by supporting more profound cultural and behavioural change. The IDeA's Integrated Workforce Strategy project is exploring, with participant authorities and their local partners, the challenges and benefits of tackling local workforce issues together. A national event is planned for late autumn 2008 and a final report containing the complete findings and case studies will be published at the end of the project.

¹ For practical guidance on the workforce issues relating to shared services, see www.idea.gov.uk/idk/core/page.do?pageId=6328944

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chapter 6 creating the future

implementing the vision

Our vision of transformed local public services places councils at the heart of local partnerships, providing strategic leadership and helping to orchestrate a wide range of local resources (including the talents of the Third Sector and of citizens themselves), as well as drawing, where appropriate, upon regional or national support to meet the priorities of their areas.

None of this is easy to achieve. It requires a comprehensive and continuing engagement with communities and real insight into their needs and aspirations. It implies open and trusting relationships with a range of local bodies, from the smallest community-based organisation through to the local offices of major central government departments.

It suggests a focus on agility and flexibility (for instance, to design procurement arrangements in ways that allow small Third Sector organisations to bid), on commissioning as much as on providing, on adding value without necessarily being able to claim credit. Above all, it requires an honesty about what can and cannot be achieved and who is best placed to deliver results.

However, nothing we have seen in our current round of research suggests this vision is unachievable. Indeed, the emerging skills, partnerships and organisational capabilities we have identified in earlier chapters, set within an increasingly supportive national framework, underline the fact that many authorities are currently well on their way towards this goal, which represents continuity as well as change.

What, then, might prevent this vision being realised and what are some of the specific practical challenges that must be overcome?

managing reputation and accountability

Getting things done through partnerships will often require larger and better resourced partners to step back from claiming credit which is rightly theirs. It may be best for a small community group to be the visible face of an initiative aimed at hard-to-reach groups, for instance, even though the local authority or local PCT is providing most of the funding. Issues of status can get in the way of effective joint working – if a county is seen to be ‘throwing its weight about’ in a county-district partnership, for example.

‘You can accomplish anything in life, provided that you do not mind who gets the credit.’

Quotation attributed to Harry S. Truman

Yet politically governed and publicly funded organisations such as local authorities are under tremendous pressure to demonstrate what they have achieved. And there are real issues of accountability. Who does a citizen complain to if a service delivered through a partnership goes wrong?

Councils and their partners continue to work through these challenges. Governance structures are important – giving each member of the partnership an equal vote regardless of their financial contribution, for example, as we saw with the Warwickshire example earlier in this report.

Chorley BC has a continuing campaign on the theme of ‘You said it, we did it’. Where the council has not been able or willing to fulfil a particular request, it explains openly the reasons behind its decision.

In March 2008, Hazel Blears, the Communities Secretary, announced a 'Community Empowerment' white paper that will be published in the summer. The paper is likely to extend the principle of statutory rights to information, accountability, and sometimes redress, to a gamut of public services. 'People need to know what the offer is across the local services, and there is a desire among local people to have a say in shaping priorities' she argued.

Branding too is a key issue, with partnerships developing in many cases their own brands, whilst taking collective responsibility for outcomes. In the Dorset for You project, which we researched as part of our 2007 FOSS programme, forgoing individual priorities for the overall benefit of shared objectives was an important learning experience for all the partners. In particular, they realised how much easier it could be for citizens if partners did away with their individual branding.

Meanwhile, recent developments in local government's scrutiny of health, where councillors and citizens themselves, working closely with the Health Service, are playing an increasingly important role in tackling issues such as health inequalities, may provide models for managing accountability across complex partnerships.

handling complexity

Managing change is difficult enough within a single organisation, particularly multi-functional entities such as local authorities, as recent work on issues such as single employment status has highlighted. Working across a partnership brings an added degree of complexity, as even basics like staff terms and conditions and ICT infrastructures can vary significantly between partners.

The organisational cultures and values in different parts of the public services remain strong, while voluntary and community bodies bring their own perspectives and objectives. Meanwhile, even the language that people use to describe their day-to-day activities can create barriers or misunderstandings – the term 'customer' may be interpreted in different ways by

a local authority planning officer, a GP, a police constable or a volunteer in a local CAB. Managing these differences is both complicated and time-consuming.

Handling complexity remains a major challenge therefore and a first step remains to get one's own organisation into shape. But other lessons are emerging about how complexity might be managed across partnerships.

Focus partners on the needs of customer groups that they have in common.

Initiatives such as Rushcliffe's First Contact programme have successfully managed to develop an integrated multi-agency approach, which has been extended to older people living across the Nottinghamshire area. Some of the newer techniques such as customer journey mapping could be used to develop a common 'outside-in' understanding and means of describing customers and their experiences.

Identify areas of shared pain and a highly targeted set of objectives in which all the partners have a shared interest.

The early findings of the IDEA's Integrated Workforce Strategy project, for instance, suggest that joint strategies are most likely to be successful where there are clear driving imperatives that are shared and owned across the agencies involved. Frameworks such as Local Area Agreements, or, in the case of children's services, the strong lead given by the initiatives that have flowed from *Every Child Matters*, can provide a strong strategic context for partnering.

Implement shared processes, infrastructure and reporting mechanisms that promote a common way of working. The Northumbria 101 project involved a range of partners in

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delivering services, but was underpinned by common standards, processes and some shared technology. Partners were able to share statistical data on the types of service request received.

getting the right information

Local transformation depends greatly on accurate, reliable and well-managed information.

At a strategic level, the LAAs that are negotiated will be based on data about the local area. Councils will need to be able to extract coherent information from a variety of sources, including ICT systems, to develop insight into customer behaviours and preferences. Meanwhile, the joined-up services being promoted at both national and local levels, as exemplified by the Tell Us Once project, will depend heavily on different partners being able to share information.

In February 2008, the Audit Commission published *In the know*, a discussion paper on using information to make better decisions. A key conclusion of the paper was that 'when decision makers use information well, local public services improve'.

Yet information provision and management remains patchy at all levels. Some authorities are creating their own data sets around issues such as migration because of a lack of availability of or confidence in national data sets. Many are buying commercial socio-demographic data on an individual basis, potentially adding to costs. And the lack of pan-government standards for even basic data such as addresses is likely to create blockages to joined-up information management. Legal and cultural blockages to sharing information also remain.

The vision for the Online Free School Meals (FSM) project is of an 'end-to-end', citizen-focused services that transforms the way in which eligible partners are supported in ensuring that their children receive a free school meal. The project, which has involved Hertfordshire CC, Tameside MBC and Warwickshire CC in developing proof-of-concept models, is a genuine opportunity for government to demonstrate, in a key area, that it can work collaboratively to make services simpler, and quicker to access and deliver. The current process, which can take up to six weeks and multiple citizen visits, is not acceptable when an end-to-end service could provide the response within a few hours via a single contact, removing all burden of proof from the parent. However, this level of service can only be delivered if issues of legality and data sharing can be resolved. To check a citizen's eligibility requires access to data held by central government agencies: DWP, HMRC and Home Office. Despite a clear vision that is almost universally supported, the project is still encountering barriers to joining up government in order to provide a transformed service for citizens.

There is a role here for local partners to work out their own arrangements. Buckinghamshire County Council, for instance, working with its districts and other public service partners, has developed an information sharing protocol around children and young people's services.

However, national bodies also have a part to play both in developing new options for local partners and in addressing blockages. The Improvement and Development Agency, for example, is investigating the potential for pan-government addressing standards as part of its work in support of the Local Government Delivery Council

The recently announced Round 9 Beacon authorities, as well as the shortlisted applications, are excellent sources of good practice (see www.beacons.idea.gov.uk). One of the Round 9 themes was *Transforming services: citizen engagement and empowerment*.

(LGDC). The LGDC will also be exploring whether national or regional procurement of commercial data sets on behalf of local government would make sense – buying once and using many times.

providing the right support

Finances are tight and skills in many of the newer ‘transformation’ disciplines, such as programme management and customer insight, are in short supply. The danger of inertia, of putting off major change for another day, is a real one therefore. Local authorities will need to avoid slipping into compliance mode; central government will need to avoid believing that, because a policy has been announced or guidance issued, change has actually happened on the ground. What will be required?

First of all, leadership at all levels. This will mean central government departments remaining open to local views and vigorously addressing blockages to local action where they are identified. It will involve members and staff at all levels in local government working hard to build and sustain the sorts of relationships with citizens and partner organisations that will support progress.

Second, there must be a continuing focus on learning from each other and sharing skills and infrastructures, so that we can build on what is already available in a systematic and efficient way. As this report has suggested, much is already happening.

Third, we need central and local government to work ever more closely in partnership to ensure that policies are developed with their practical implementation in mind. Local Area Agreements will be a crucial vehicle locally and will need to be supported by continuing joint work on national frameworks.

Although there has been much debate around the service transformation indicator NI14, the process through which it was developed involved both central and local government in discussions and practical testing on the ground. CLG is now developing a data interchange hub that will facilitate the reporting on all 198 indicators and has commissioned esd-toolkit, as a local authority community, to support continuing debate, communication and knowledge sharing with local government around the hub’s use.

Fourth, the national bodies supporting transformation must demonstrate their value in a tangible way. The Delivery Council, for example, remains the pan-government forum where blockages on difficult issues such as data sharing can be reported and resolved. Bodies such as the Chief Executives’ Task Group and the Local Government Delivery Council will have a crucial role in connecting the centre with localities and enabling local transformation. Local partners will be expecting to see leadership and action.

Fifth, we need to develop the right support infrastructures at regional or sub-regional levels. The Regional Improvement and Efficiency Partnerships are critical here and will need to demonstrate that they are close to their local authority customer base and focused in the expertise and support they can offer.

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According to CLG's report *Delivering Value for Money in Local Government*, key activities of the RIEPs are likely to include: funding regional infrastructure; developing framework contracts for business process reengineering skills and capacity; funding specific projects; and implementation support for developing customer insight, channel strategies and channel take-up. The RIEPs will be expected to have a thorough understanding of the needs of their areas, to align their activities with the LAAs within their regions and to work closely with other bodies, including Government Offices and the IDeA's Regional Associates.

Finally, the new performance framework, and Comprehensive Area Assessment in particular, needs to work effectively, giving local partnerships an incentive to take risks and to innovate rather than to continue with business as usual.

In its February 2008 response to the joint inspectorate consultation on CAA, the Local Government Association expressed concern that the joint inspectorate proposals for CAA did not yet appear to deliver the White Paper ambition for a new performance framework that focuses on outcomes and areas, puts the views of local people at its heart and delivers a reduction in the burden of assessment at local level. Continuing work on the design and implementation of CAA is therefore of fundamental importance.

chapter 7

our conclusions and next steps

Our 2007 research highlighted how successful transformational projects had:

- focused on customers;
- built on solid local relationships;
- displayed a mix of idealism and pragmatism;
- been led by local public service entrepreneurs.

We concluded that in order to encourage public service transformation, central and local government, working with partners, should continue to:

- build better frameworks for local action;
- support local leaders;
- understand and promote the value of collaborative service provision.

While there is clearly an enormous amount still to do, and resources remain tight, our current review of the 'transformation landscape' suggests progress is both increasingly widespread and increasingly rapid.

At national and regional level, the broad structures are now in place to facilitate local action, direct support, monitor performance and address blockages.

At local level, local authorities and their partners continue to develop new skills and techniques, build new partnerships and create new organisational models.

Significantly, during our current round of research, we have been able to complement our 2007 case studies with an almost entirely new set of examples of local practice.

The key factors for success remain remarkably constant, however. They include:

- strong leadership, both political and managerial;
- a shared vision amongst partners, focusing on agreed local outcomes;
- a real commitment to understanding the needs of local citizens and businesses and engaging with them;
- a clear recognition of the important role that front-line staff will play;
- effective arrangements for partnership working, including governance structures;
- a desire to exploit technology and share infrastructure, both locally and nationally;
- the ability to manage and sustain complex programmes of change.

We would like to thank all the colleagues, both local and central, who have contributed to this latest round of research. We look forward to continuing our work with you on this agenda through bodies such as the Local Government Delivery Council. In the meantime, if you have any queries or comments, please email siobhan.coughlan@idea.gov.uk.

'Authorities will now have the ability, and responsibility, to do so much more and improve the things that will make a difference to their residents' everyday lives'.

Hazel Blears, Communities Secretary in a speech to a Guardian conference, 4th March 2008



The Local Government Association is the national voice for more than 500 local authorities in England and Wales. The LGA group comprises the LGA and four partner organisations which work together to support, promote and improve local government.



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