

Report of: Chief Executive

To: Executive Board

Date: 16 April 2007

Item No:

Title of Report : Update on using Systems Thinking to improve our services



Summary and Recommendations



Purpose of report: To provide an update on progress since the report to
in November 2006



Key decision: No

Portfolio Holder: Councillor John Goddard

Scrutiny Responsibility: Finance



Area(s) affected: All

Report Approved by



Portfolio Holder: Councillor Goddard

Legal: Jeremy Thomas



Finance: Sarah Fogden



Policy Framework: Oxford City Council Corporate Plan

- Ensuring better and more efficient services



Recommendation(s):



- To note the result of the restricted tender process and the decision made under delegated powers by the Chief Executive to appoint Vanguard Consulting as the Council's Systems Thinking partner
- To note the approach developed by the Strategic Management Board for the first Systems Thinking intervention
- To note the supporting activities to begin embedding the Systems Thinking approach and link this to the Chief Executive's action plan for the 2008/9 budget



BACKGROUND

1. Executive Board on 6 November 2006 agreed to grant major project approval for Systems Thinking work and gave the Chief Executive delegated powers to award a contract up to a value of £450,000 for up to two years starting in January 2007.
2. Funding for this work is covered in both 2006/7 and 2007/8 budgets.
3. Following a tendering exercise using the full OJEC process Vanguard Consulting were awarded the contract on 22 December 2006, subject to contract reviews following each intervention to assess the effectiveness of the process to improve the Council's performance.
4. Work commenced with Vanguard in January 2007 and it is anticipated that the value of work carried out in 2006/7 financial year to date will amount to less than £20,000

PROGRESS JANUARY TO MARCH 2007

5. Strategic Directors, supported by Vanguard consultants, have spent time working with staff in key front line services to gain an understanding of the type and frequency of customer demand. They gathered data on the volume of demand and assessed the impact on customers of the Council's activity. An initial assessment was also made of the potential for service improvement from a customer perspective.
6. Based on the knowledge gained, the Directors focused on four broad areas for further work
 - a. Customer Services (face to face and telephone contact)
 - b. Housing Benefit
 - c. Council Tax
 - d. Homelessness
7. While traditional BVPI measure show improvements in performance in these areas it was clear that from a customer perspective further improvement is required. It was also clear that internal systems and processes contain many 'waste' steps that do not add value to the customer.
8. Work is continuing in the original Systems Thinking pilot in Building Control and good progress has been made on the customer focused measures established last year.

NEXT STEPS APRIL TO JUNE 2007

9. During April, Directors will be working with Vanguard to design a Systems Thinking intervention that will start in May. This will be based on the concept of 'Outside in, demand led' and will start from the customer contact points in St Aldate's Chambers (both face to face and telephone contact centre).
10. The first 6 weeks of the intervention will involve a cross functional team of front line staff carrying out a 'Check' process which will gather more in depth information about the nature of customer demand. The team will assess our current capability to deal with customer demand at the

first point of contact and will establish which types of demand are typically passed to the 'back office' for resolution. It is likely that the 'Check' process will then follow these demands in areas such as Housing Benefit and Homelessness.

11. Directors will lead the 'Check' process with support from Vanguard and will carry out a review after 6 weeks to establish whether on not to progress to the 'Plan' stage (where the teams will use the knowledge gained in 'Check' begin to design new ways of working). Strong and visible leadership from Directors is crucial to ensure a common understanding of the current system and to give the team authority to challenge and redesign their work.
12. The Strategic Directors and Chief Executive will be working in parallel with Vanguard on developing new operating principles and working through policy areas that support the work plan for closing the 2008/9 budget gap. This work will begin the process of embedding Systems Thinking principles across a wider range of Council activity so that subsequent interventions are part of an integrated and adaptive system.

CONCLUSION AND RECOMMENDATIONS

13. Work on Systems Thinking has begun and will gain momentum in the next 3 months.
14. Executive Board is recommended to;
 - To note the result of the restricted tender process and the decision made under delegated powers by the Chief Executive to appoint Vanguard Consulting as the Council's Systems Thinking partner
 - To note the approach developed by the Strategic Management Board for the first Systems Thinking intervention
 - To note the supporting activities to begin embedding the Systems Thinking approach and link this to the Chief Executive's action plan for the 2008/9 budget

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Background papers: None

