Hackney

Budget Scrutiny Task Group Customer Services 5th October 2015 **Customer Service Cross-cutting Programme**	Item No **7**

OUTLINE

Customer Service cross-cutting programme

1.   Purpose

1.1   Several of the Mayor's manifesto commitments from 2014 are essentially about providing better customer service. Given that these commitments are made in the context of significantly reducing resources, this cross-cutting programme has set out to establish principles for how we will provide better, more efficient services by responding more effectively to demand, reducing wasted effort.

1.2   Projects include looking at specific services in this light, for example, housing repairs, including responsive repairs and the repairs call centre, and the communal repairs service. We are also reviewing our approaches to performance management and complaints handling, and data-sharing, focusing on using our intelligence about service delivery and residents' needs in order to prevent demand that does not add value.

2.   Wider context

2.1   The driver for this programme is the need to find substantial savings by providing better services, i.e. more responsive, more effective services, and while this clearly sounds counter-intuitive, this is an approach that is becoming more widespread across local government, both with more straight-forward transactional services, and for more complex services designed for vulnerable residents. Camden have reviewed their repairs service in this way (among other services) and Greater Manchester have studied the extent of "failure demand" in their approach to Troubled Families.

2.2   The RSA report "Managing demand: building future public services" (2014) talks about three different "steps" of demand management, the first of which is described as "emerging science", within which one of

five approaches is to understand and manage "failure demand". It is this approach that this programme will develop.

2.3 Similarly outsourcing company Capita, in their report "Re-imagining local government: creating opportunities from an uncertain future", talk about levels of maturity in organisations to deal with the scale of budget reductions we are facing, identifying a future operating model "mark 2" (of 3) as the stage at which a "one-and-done mentality" (or "right first time") removes, "all failure demand: the number of transactions will halve and there will be a real focus on what really matters."

3. **The approach**

3.1 The approach is based on two fundamental ideas. The first is that it helps to look at your service, or group of services as a whole system from the residents' point of view, understanding services from the outside in. This enables us to look at how we respond to the demand, i.e. what adds value in terms that matter to residents rather than in our terms, and then we can look at how the work flows round the system, enabling us to identify what gets in the way of being able to do the best possible job.

3.2 The second idea is about how to change your system. The fundamental principle is that command and control, i.e. "do it or else", does not work, nor does the rational approach, i.e. "we've looked at it logically and this is the only way to do it". This approach is normative, i.e. "see it for yourself", involving the people who do the work in the redesign to answer the question, "What stops you from being able to do the best possible job?" and, "How can your managers help you by removing these blockages?"

3.3 So the starting point is to re-state the purpose of this service from the resident's point of view. And then, how effectively are we fulfilling this purpose? If we are doing things that are not helping to achieve this, why are we doing it, and what can we stop doing? This means targeting wasted efforts rather than targeting savings, but the inevitable consequence is savings plus better services.

3.4 We have tested this approach across a range of different areas, including single services, and services that collectively make up our response to a set of issues:
- Problems with the process for applying for, and renewing, a parking permit, which appeared initially as an IT problem, but, when assessed against purpose, was clearly overly-bureaucratic;
- Our ability to respond to the growth of the hospitality economy in the borough including Waste, Parks, Noise, Licensing, Communications and Regeneration Delivery;
- Clear opportunities to improve the responsiveness of the repairs service in the light of the manifesto commitment to getting it right first time;

- Working with the Governance and Resources Scrutiny Commission on developing an innovative approach to tackling persistently high levels of long-term unemployment in Hackney.

3.5   The work we have done with the repairs service is informed by a similar approach implemented in Camden. The headline from Camden's work is that they used to have an average of 3.5 visits to properties per repair and now that is about 1.5. They stressed that this is an approach to continuous improvement, led by the staff who do the work, focused on what residents want.

3.6   Our initial work with the Hackney Homes repairs service found that:

- We tend to look at each call and each visit as an individual job rather than as linked.

- We measure and reward activity and not the fulfilment of the purpose of the activities.

- Because of this there is a significant level of what you could describe as "waste" in the system, i.e. repeat visits with a short term fix, not a first time fix.

3.7   We are implementing changes to the repairs service now, based on these and other findings, which will be reported back to the Living in Hackney Scrutiny Commission later this year.

ACTION

The Budget Scrutiny Task Group is requested to note the report and ask questions.