
Report of the Assistant Chief Executive (Planning, Policy and Improvement)

Scrutiny Board (Central & Corporate Functions)

Date: 4 October 2010

Subject: DECATS (Delivering Efficient Corporate and Transactional Services)

Electoral Wards Affected:

All

Specific Implications For:

- Ethnic minorities
- Women
- Disabled people
- Narrowing the Gap

1.0 Purpose of this Report

- 1.1 To outline the DECATS programme in Leeds and to highlight the key findings which will inform the delivery of the council's broader change programme

2.0 Background Information

- 2.1 Leeds City Council is one of 15 local authorities who have participated in the national DECATS programme co-ordinated by Local Partnerships on behalf of the Local Government Association (LGA).
- 2.2 The programme is aimed at supporting local government to deliver significant efficiencies whilst protecting front-line services. This is achieved by developing an individual case for change, using a proven review methodology.
- 2.3 The review at Leeds City Council was jointly managed by Local Partnerships' delivery partner PricewaterhouseCoopers (PwC) and the council's business change team between December 2009 to June 2010.
- 2.4 The council faces some tough decisions related to efficiency savings and prioritisation of its services and there is an expectation that every penny spent is done in the most effective and efficient way possible.
- 2.5 The programme has been aligned with the council's broader change programme, including projects covering changing the workplace, customer access and procurement and commissioning.

3.0 Key findings from the Review

- 3.1 The DECATS review is essentially a diagnostic exercise which looks across the whole council to determine how much resource is dedicated to providing certain support and transactional type functions/processes e.g. the number of people involved in enquiry handling; the number of people involved in HR; the number of people involved in performance management etc. Overall, the data is broken down into 36 different activities/processes. The data also identifies the number of systems used to support the delivery of such activities/functions/processes. The exercise was broken down into three stages as follows:
- 3.2 **Stage 1 Gathering data** - Activity and process data was collected in a standardised way across the council split across 206 service areas. The approach allowed direct engagement with service managers responsible for each service area.
- 3.3 Data collected included staffing allocations (looking at over 15,000 FTEs across the council – excluding ALMOs and schools staff), overall spend and the number of ICT applications which support the different activities/processes. The data collected represents a high-level overview of where the effort of the council's workforce is spent. Leeds City Council's data can then be analysed against what might ordinarily be expected to be found and compared to other authorities who have been through the same process. A number of key issues were highlighted including the following:
- The council delivers a high proportion of services in-house.
 - The contact centre is not used as consistently as it might with customer contact activity duplicated across a number of council services.
 - The most cost effective channels for customer contact are not always used.
 - Although there is a wide range of assessment undertaken (e.g. family assessments in social care through to the assessment of planning applications), our processes could potentially be simplified, streamlined and made more efficient.
 - Management spans of control are variable across the authority.
 - Billing and receiving payment processes could be undertaken more efficiently across the authority.
 - General administration processes are not standardised across the authority with duplication of effort (for example having to input the same information into a number of systems) across most services.
 - Commissioning and procurement processes are neither centralised nor decentralised and we do not make the most of our buying power through standardising contracting arrangements and through a category management approach.
 - Evidence suggests considerable time is spent on chasing up and working on raw data. From the interviews it was concluded that the council is 'data rich' but information poor',
 - There are 736 ICT and paper-based applications, highlighting considerable scope for process streamlining.
- 3.4 **Stage 2 - Identifying options (opportunities)** - Following the data collection exercise, a series of directorate and cross-cutting workshops were held, attended by a cross-section of senior managers and practitioners. Their purpose was to review

the initial findings of the data collection exercise and identify opportunities for improvement and efficiency across the council.

3.5 A long-list of opportunities were identified through the workshops. A prioritisation process was then undertaken to identify the following themes as ones that could deliver the greatest financial benefit to the organisation:

- Commissioning and Procurement
- Customer Access
- General Administration
- Recording and Data Entry
- Billing and Receiving Payments
- Management and Supervision
- Performance Management

3.6 **Stage 3 – The Case for Change** – Each of the seven identified areas were then developed into individual high level outline business cases. Each of these outline business cases provided a broad business justification for change and demonstrated where and when savings may be realised and the profile of investment required to make the change. These individual thematic business cases were brought together to inform an overall integrated outline business case for the Council as a whole.

4.0 **The Outline Business Case (OBC)**

4.1 The seven thematic cross-cutting opportunities are focussed around streamlining and standardising ways of working in the front office, back office and strategic core of the council, thereby maximising the ability to provide and maintain front-line services. Proposals are summarised below:

- **Commissioning and Procurement** - standardising processes and establishing a single procurement and commissioning model across the council which will be supported by the development of either a centralised, or hub and spoke team model. Improved category management and contract management is also possible to source goods and services more efficiently.
- **Customer Access** - involves greater use of more cost-effective customer access channels for enquiry handling and assessment. Duplication and administration will be reduced through the empowerment of staff to respond to customer needs at the first point of contact and increased sharing of information including a single customer record.
- **Management and Supervision** – streamlined and redesigned management structure supported by a robust competency framework to provide a clear expectation of what is expected of managers in the council. In addition, enhanced tools, systems and professional advice will be provided to support managers in managing staff effectively.
- **General Administration** - developing alternative administration and process models which can deliver more effective, professionalised and standardised administrative support to the council at lower cost.
- **Billing and Receiving Payments** - implementing a one-council approach to billing and receiving payments through streamlining end-to-end processes, encouraging up front payments and integrating systems to ensure information is entered only once.

- **Data Entry** - reducing duplication (for example, inputting information into numerous systems) and reducing reliance on paper based systems by developing solutions to enable the 'write once, use many' principle to be adhered to within the Council. This will enable the Council to have a better understanding of its customers and citizens for example through having a consolidated and single source of information.
- **Performance Management** - designing and implementing a standard approach to performance reporting and management information sharing across the council, potentially through the implementation of a 'hub and spoke' model.

5.0 Next Steps

- 5.1 The council's is now progressing the development of full business cases for each of the seven themes and, therefore, this is very much work-in-progress. In taking these proposals forward, it is important that the council recognises the scale of the challenge it faces, the investment required and the capacity needed to take these issues forward. Also, the phasing of the changes will need to be effectively planned in order to minimise the impact on front-line service provision. All of these issues will be addressed in the individual business cases.

6.0 Conclusion

- 6.1 As part of the council's change agenda, the council is committed to improving its business processes to deliver sustainable, value for money and continually improved services to the citizens of Leeds. The DECATS programme has provided evidence and ideas which will help the council decide where change needs to be made. The review has demonstrated that the council performs well in many areas because it has a solid base of high quality staff. However, the efficiency and effectiveness of the workforce is impeded by the duplication and lack of consistency across a wide range of activities, processes and systems.

7.0 Recommendations

- 7.1 The Scrutiny Board is asked to note the information provided in this report.