



Efficiency

LGC's regular special report

March 2015



REIMAGINING SERVICES

How councils are transforming for the future

LGC research:
How councils are faring
with their digital
strategies *page 4*

Customer services:
Hertfordshire CC and
Peterborough City Council
hone their offerings *page 8*

Road improvement:
how the Highways
Maintenance Efficiency
Programme can help *page 10*

RACHEL DALTON SUPPLEMENT EDITOR

As the 2015 election looms on the horizon, councils are bracing for another round of austerity, whichever party takes control post-May.

Having already cut up to 40% from their budgets over five years in some cases, councils have reached the point at which they cannot continue to function in the same way that they have done historically.

It is clear that simply making savings is not enough. The next stage in the evolution of local government is to fundamentally redesign services, rethinking what councils' central purposes are and what their relationships with and responsibilities to the citizen are.

Two factors will assist councils along this journey, as exemplified in these pages. The first is collaboration, with central government, fellow councils, private sector partners and other public sector agencies.

Second, digital technology, the capabilities of which are still being discovered, will help give local authorities the boost they need to make changes, especially in terms of how they contact and interact with their customers and manage workflow for frontline, field-based staff.

We hope that the examples laid out in this edition of the efficiency supplement will help to spread best practice among councils looking ahead to the next five years.

CONTENTS

3 Sustainability

TODD HOLDEN explains how the Environmental Sustainability Technical Assistance project has left a legacy to help LEPs cut carbon

4 Digital developments

An LGC survey held in association with Capita explores how far councils are along their digital journey

8 Customer services

Serco's Gareth Moss tells **RACHEL DALTON** how Peterborough City Council and Hertfordshire CC honed their services

10 Strategic planning

RACHEL DALTON reports on how the Highways Maintenance Efficiency Programme has helped Surrey CC and Blackpool Council improve their roads

12 Service improvement

NIC PATON reports on Durham CC and Civica's revenues and benefits redesign

14 Water management

Propelair's **GARRY MOORE** on how local authorities can tackle water wastage

A sustainable legacy

The Environmental Sustainability Technical Assistance project is helping local enterprise councils to cut carbon, says **TODD HOLDEN**



The Environmental Sustainability Technical Assistance project was established to provide local enterprise partnerships and their partners with technical assistance so that they could maximise environmental sustainability opportunities associated with their economic development priorities.

The project was delivered by a small team with support from the Environment Agency, the Department for Communities & Local Government and representatives from the four participating LEPs in the north-west: Cheshire and Warrington; Cumbria; Greater Manchester; and Liverpool City Region. A discrete research budget was used to demonstrate environmental sustainability opportunities, gaps and market failures.

One of the key resources produced by the Esta project is a compelling advice note: Integrating Environmental Sustainability into European Regional Development Fund Projects. It is aimed at applicants from the public sector to help them embed the sustainable development cross-cutting theme into new ERDF projects as they are being designed and developed.

Mark Knowles, head of low carbon at Liverpool City Region LEP, says: "Esta has provided valuable capacity support, evidence base and independent advice to the LEP

to help us take advantage of our environmental sustainability opportunities.

"It has also made a significant contribution to the development of Liverpool City Region's new EU Structural and Investment Fund strategy."

A bespoke action plan was drawn up for each of the participating LEPs to help them identify environmental sustainability issues pertaining to economic growth.

To shape the action plans the Esta team developed an initial environmental sustainability evidence base for each LEP in the context of future economic development priorities. This was then developed into a common framework to ensure consistency.

A checklist was developed to identify risks and opportunities taking into account the economic development strategies, priorities and activities.

The method can be replicated for other environmental sustainability action planning processes for LEPs and local authorities.

Mark Atherton, director of environment at the Association of Greater Manchester Authorities, says: "The Esta project has provided a cost-effective resource for the Greater Manchester Low Carbon Hub as we drive forward our transition to a low carbon economy.

"Sharing information and experiences across participating LEPs has also brought useful benefits.

Moving forward, the project's legacy will continue to help in the development of our future project pipeline."

The Esta findings are now available online for LEPs and local authorities to access and aim to provide a valuable resource to the public sector in driving low carbon and energy efficiency savings.

The following is a selection of the research reports available:

• **The economic impact of ERDF housing projects**

Assessing the economic impact of previously funded ERDF projects on energy efficiency in social housing, this project highlighted a number of useful lessons, including appropriate technology selection for different circumstances and the importance of consistent and transparent quantification methods, both for economic metrics such as jobs created as well as for CO₂ equivalent.

• **Building the evidence base for behaviour change interventions to reduce GHG emissions in businesses and households**

This report provides a comprehensive evidence review of how effectively designed behaviour change activities can add value to low carbon policies and interventions to reduce greenhouse gas in business and households.

• **A review of the evidence base to promote sustainable food**

This reviewed the evidence

base for sustainable food production and consumption and the development of recommendations to promote sustainable food within LEP areas. It primarily focused on the greenhouse gas impacts and mitigation measures, which were complemented by analyses of impacts in the areas of water, land and energy.

• **Developing a wedges approach for carbon emissions reduction in Greater Manchester**

This report uses the wedges approach to illustrate how carbon emissions reductions in Greater Manchester can meet a 48% reduction target by 2020 against a 1990 baseline. The wedges approach is anchored on the central thesis that no one single activity or policy measure will be able to stabilise carbon emissions by itself.

• **Assessing climate risks and opportunities for strategic growth sites for the Liverpool City Region and Cumbria LEPs**

This work produced assessments of current and future climate risks and opportunities for strategic employment sites and key growth sectors across Liverpool City Region and Cumbria Local Enterprise Partnership areas.

To find out more please visit www.enworks.com/ESTA-intro
Todd Holden is director of low carbon policy and programmes, Greater Manchester Business Support



FOREWORD

IAN SMART
Insight and digital market director,
Capita Transformation

Councils need insight, not just information

Our survey paints an optimistic picture of a sector having started its digital journey but with work still to do if it is to provide customers and staff with a map of the road it will take to its digitally enabled future.

That is not to say that good progress is not being made. It was unsurprising, given the level of investment in customer contact centres during the early and mid-2000s, that many councils have multi-channel customer engagement programmes. However, these appear to be traditional customer service models, and while use of social media is evident, use of new digital channels such as web and video chat remain fairly low.

Lean techniques remain the tools of choice for customer service improvement, but with greater use of personas, propensity/predictive analytics and behavioural science techniques, councils could drive a further wave of broader and deeper self-service and channel shift. The majority of councils appear to have digital productivity programmes in place, but interestingly in their field-based operations such as social work there are challenges to make visible and manage workforce productivity.

We believe workforce productivity and optimisation will be the fundamental keys that unlock the door to further efficiency savings. However, with very few councils having aligned their IT infrastructure to support digital working, there are some barriers to overcome.

There is almost no use of the new breed of process automation software tools, which is not surprising given the potential high costs involved. We envisage that as new providers enter this market, costs should drop and offer local government further opportunities to drive up productivity and costs down.

The same can be said of sensor-based technologies, where a few innovators said they were planning to invest. We are particularly excited at the potential of these technologies to improve the lives of the more vulnerable members of our society and reduce the demands placed on the public sector system.

Capita Transformation's local government team believes councils will need to become more sophisticated in their use of insight and analytics, not just from a customer perspective but also to optimise their operations. We expected to see high uses of descriptive attitudinal and customer relationship management data but with limited use of data mining and predictive analytics, local authorities will struggle to create actionable intelligence on which to make informed strategic and operational decisions on what to change and why. Insight and analytics will be the key that unlocks the doors to increased customer satisfaction, productivity and workforce capacity optimisation.

FOREWORD SUPPLIED
BY CAPITA

CAPITA

Next generation

RACHEL DALTON reports on an LGC survey into councils' use of data and digital technology

The past decade has seen a move by councils to shift their customer service operation to new and more efficient channels.

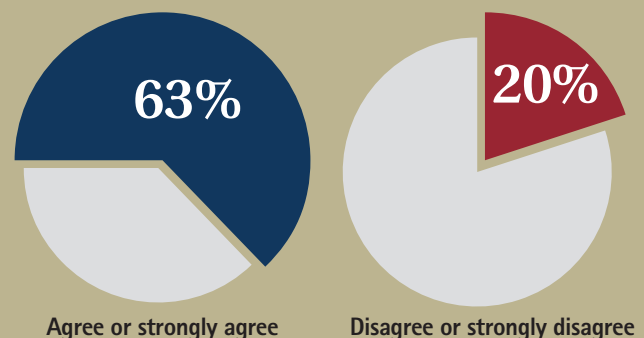
However, LGC research has revealed that they have not yet realised the full potential of technology in deepening customer insight and reducing demand, as well as how technology could reduce pressure on frontline workers by

automating processes and cutting time spent on travel and paperwork.

An LGC survey of council chief executives, assistant chief executives and directors, run in association with Capita, revealed the extent of councils' use of technology towards this end and the barriers preventing further innovation.

Digital vision and strategy
Clearly, a firm understanding

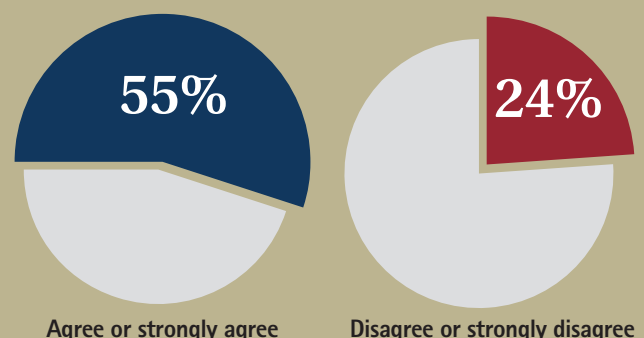
'THE COUNCIL HAS A CLEAR DIGITAL STRATEGY'



Agree or strongly agree

Disagree or strongly disagree

'THE COUNCIL HAS A CLEAR ROAD MAP FOR HOW THIS STRATEGY WILL BE REALISED'



Agree or strongly agree

Disagree or strongly disagree

ation intelligence

throughout a council of its digital direction, and well-defined accountability for that, is essential to its success.

Nine in 10 respondents to the survey said that senior managers in their authority, from chief executives to assistant directors, were responsible for the digital strategy.

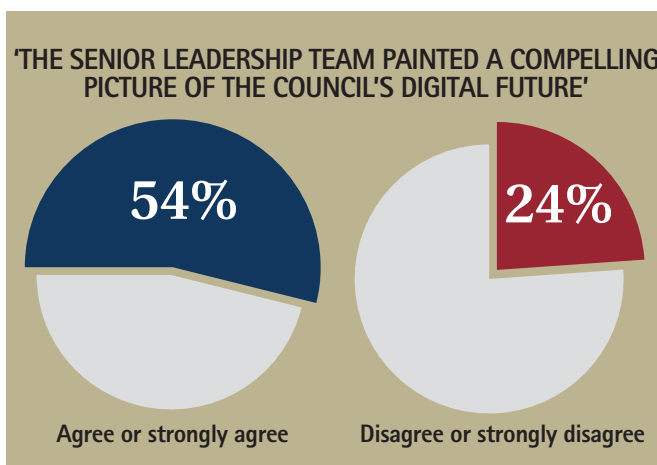
The survey revealed that 63% of respondents either agree or strongly agree that their council has a clear digital strategy.

However, only 13% strongly agreed their council's strategy had been clearly articulated. Fifty-four per cent agreed or strongly agreed the senior management at their council painted a compelling picture of the organisation's digital future, suggesting that councils' digital agendas are still in their infancy.

Ian Smart, insight and digital market director at Capita Transformation, says: "Overall, the survey paints an optimistic picture of local government having started its digital journey but with work still to do to improve services for its customers."

Customer engagement and experience

Moving customer engagement away from face-to-face and phone interaction to other, more efficient channels has been the hallmark of the past decade in local authorities



and the results of the survey reflect this.

Sixty-seven per cent of respondents said their council had a multi-channel customer engagement programme that provides broad self-service.

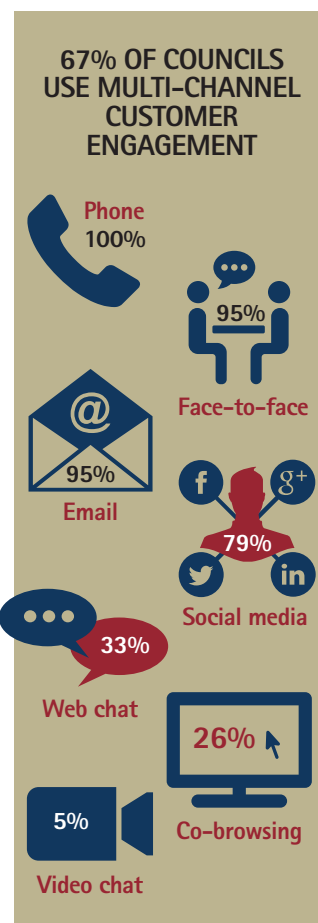
However, most respondents revealed a programme heavily reliant on traditional channels; only 33% were using web chat, 26% co-browsing and just 5% using video chat,

“The survey paints an optimistic picture of local government having started its digital journey but with work still to do to improve for its customers
Ian Smart, Capita Transformation

suggesting a lack of understanding over what makes an approach 'multi-channel'.

Mr Smart says: "It is not surprising, because local government invested a lot in customer contact management in the 2000s, that that is where most of the work has been. There are a lot of customer engagement programmes going on but it's still quite traditional."

However, authorities are redesigning services to bring in stronger self-service elements. The survey also revealed what tools councils are using to this end. Eighty-two per cent said they were using customer journey mapping, while 66% said they were using user experience design and 64% said they were using lean value mapping. Creating customer personas, behavioural science and agile development were also being used but to a lesser extent.



Mr Smart says: "There appears to be a limited use of customer personas and behavioural science techniques to inform service design, which the private sector uses to great effect."

Of the 33% of respondents who said they did not have such a customer engagement programme, 64% said incompatible technologies were a barrier to implementing one; 59% said the time it would take

to establish was prohibitive; and 32% said their procurement processes would make this difficult.

However, Mr Smart says often councils will have had the right technology in place since the 2000s, but do not know how to capitalise on this.

Optimising operations

The research revealed that using technology to help reduce pressure on frontline workers is as yet a mostly untapped area.

Supporting staff in the field with digital technology, preventing them from having to travel to and from the office to complete paperwork, is only in its infancy, the survey results suggest.

For instance, 55% of respondents said that field-based staff are partially supported in dynamic job allocation by digital technology, but a third said staff were not supported at all in this way.

Similarly, most respondents said digital technology was used to partially support field-based workers in terms of travel routing and case processing, but very few said their staff were fully supported and a significant minority said staff were not supported at all by digital technology in these areas.

Mr Smart says this is an area that could be a rich seam of efficiencies. "A really



interesting, standout area is that in councils' field-based operations like social work or road maintenance, there are opportunities to manage workforce productivity better. There appears to be a lack of technology to support the scheduling and rating of field-based staff in the way that, say, British Gas would do.

"This is a big challenge for local government because travel time is unproductive and optimising workforce productivity will be the key that unlocks the door of further efficiency."

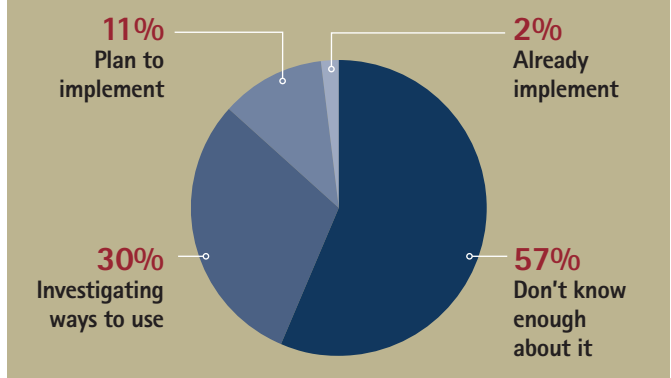
Service line automation – reducing the need for council staff to 'manually' transfer data from one service to

“The biggest use of time is travel. Workforce productivity and optimisation would be the key that unlocks the door of further efficiency
Ian Smart, Capita Transformation

RESPONSIBILITY FOR DIGITAL STRATEGY



SENSOR-BASED TECHNOLOGY



another – is a further opportunity for efficiency.

Although three-quarters of respondents said their authority has a plan to increase service line automation, 91% were not using 'robotic' process automation tools that could make this a reality.

Part of the problem here, Mr Smart says, is that councils' existing IT systems for various departments do not join up.

"It is quite common for processes to cut across a business where its supporting services do not communicate with each other. This results in a manual process to pass data

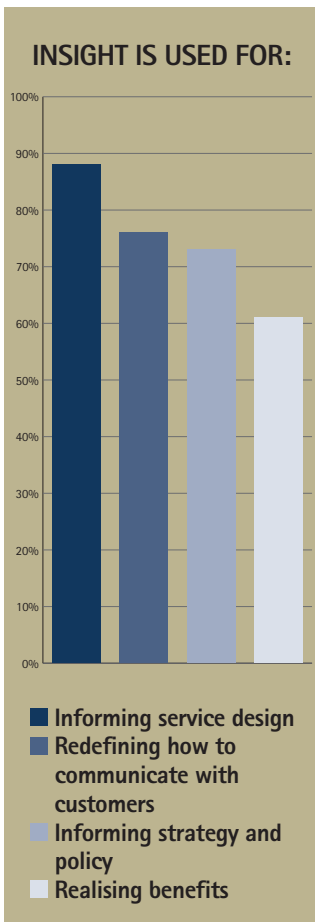
from one system to another.

"You can rationalise systems and link them, if that is possible; most software vendors won't do that. However, we've just done a piece of work at a London borough to improve that flow.

"There are now high-end software products which are robotic and remove some of the manual transfer processes. It's not surprising local government is not using these because it is expensive but the price will start to drop."

Insight and analytics

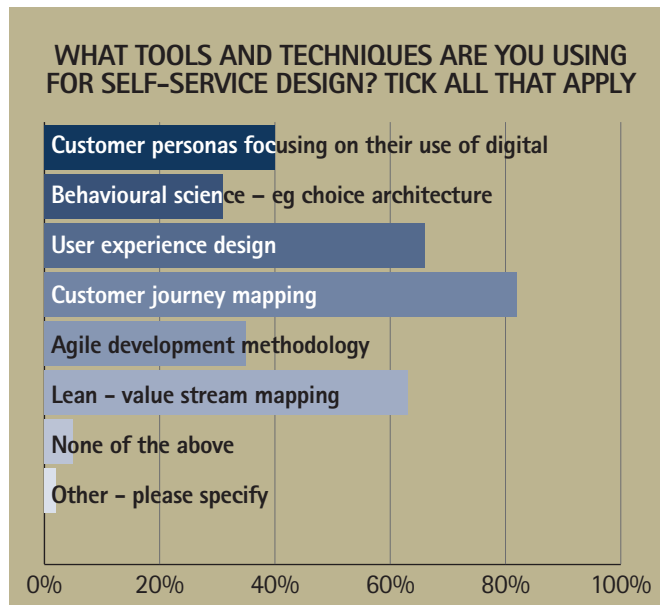
The real key to improving



productivity, customer satisfaction and workforce optimisation, however, is better use of data, Mr Smart says.

“Councils need to be much more sophisticated in use of insight and analytics. Without doing data mining and analytics, it is difficult to see how councils will forecast effectively and prevent problems.”

The survey revealed that 82% of councils were



75% have a programme to increase service line automation

20% use data mining analytical tools

using descriptive datasets on which to base their analysis, such as census or geo-demographic profiling data.

A similar proportion were using attitudinal datasets such as focus groups and customer surveys and customer relationship management datasets.

There was a very low adoption of social media analytics (39%), data mining

(20%) and voice and text analytics (12%).

Despite this, demand for insight is strong. The survey revealed that what insight councils did have was being used to inform many areas of business including service design (88%), customer communications (77%), strategy and policy (73%) and benefits (69%).

Digital platform

As could perhaps be

expected, very few local authorities are early adopters of new technologies.

Just 2% of respondents said that their council was using sensor-based technology, such as Surrey CC’s piloted use of motion sensor technology to track potholes, or use of motion sensors in adult social care to reduce demand on domiciliary services.

However, 41% said they were investigating or planning to implement this kind of technology.

Open data – the publication of machine readable local authority data made available to residents and to encourage private sector innovation – was also somewhat neglected by most councils. Only 49% of respondents said their council had an open data policy, while 39% said there was no open data policy and 15% did not know.

All in all, councils have the potential to deepen their customer insight through technology – but must realise it.

74 responses during February-March 2015:

- 16% were from county councils
- 41% from district councils
- 11% from metropolitan councils
- 27% from unitary councils
- 5% from London boroughs
- Chief executives and directors made up 68% of respondents

A journey of self-im

Gareth Moss tells **RACHEL DALTON** how local government could be looking in all the wrong places for savings and service improvement

There are a number of factors at work that are reshaping the way councils operate.

First, there is the financial pressure they have faced during the past four years and will need to tackle in the next parliament, whichever government takes power.

However, there is also an increasing desire among citizens for modernised services; those that are tailored to their needs, easy to access, and have the capacity for self-service. In the best cases of service transformation, what is good for the citizen is also good for the council in terms of increased efficiency.

Gareth Moss, strategic partnerships director at Serco, understands this well. "My view is that the real challenge will be to manage reductions by finding new ways of providing services," he says.

Serco's work with two authorities – Peterborough City Council and Hertfordshire CC – demonstrates how a council can achieve this sea-change in service delivery, for the better of residents and the authority itself.

Reshaping services in Peterborough

Peterborough City Council brought in Serco to conduct a customer-centric service review in December 2014.

The exercise involved a close analysis of 17 of Peterborough's services,

including housing, children's services, regulatory services, registrars, public health, commercial operations and even school admissions. The review focused on customers' experiences of using those services and how they could be improved, while also creating efficiencies of benefit to the council.

Mr Moss says: "Our initial starting point was the recognition that residents are not only users of council and other public services; they use commercial organisations' services too.

"We often hear comparisons between the two experiences so we tried to examine the council services from that perspective. If you can track a parcel around the world then why can't we do the same with a planning or school admission application?"

Through detailed research, Serco and Peterborough created various profiles of potential service users and used those to map 43 different journeys through Peterborough's various services.

This meant Peterborough could identify where problems arose for service users and come up with solutions. It also provided an insight as to where new models for services, involving self-service and digital technology, might be possible.

Mr Moss gives one example, in which Peterborough and Serco

“If you can track a parcel around the world then why can't we do the same with a planning or school admission application?”

Gareth Moss, Serco

created a profile of a 15-year-old boy, 'Luke', who had been living with a foster family for 15 months. In his simulated customer journey, Luke was worried about having a new social worker, having built up a good relationship with his current one.

He tried to call his social worker to discuss his concerns but the call went straight through to voicemail. He tried to call the duty number but couldn't get a reply. Frustrated, Luke called a little later and was answered by a business support worker, who said Luke's social worker was not in the office but took a message. After a further delay, Luke finally got his meeting with the social worker but the poor customer journey had only increased Luke's anxiety about his transition to the new social worker, creating instability in his foster family.

"In this case, the inability to access information and reassurance quickly created a problem," Mr Moss explains.

In Peterborough's redesigned customer journey,



if Luke could not contact his social worker his call would be diverted to the customer service centre and to a member of staff who is an expert in this particular subject matter. This member of staff, although not a social worker, would be able to reassure Luke and discuss the transition, as well as advising Luke that a note would be sent to his social worker informing them of the discussion.

As a result of the review, Peterborough created a new council-wide operating model for customer services.

"It's a model that is more firmly based on a wide understanding of all of the end users' needs, rather than

Improvement



simply a service-based model,” says Mr Moss.

The new model was built on six commitments to:

- Be more focused on the customer, making it easier for residents and businesses to interact with the council
- Do more to understand customers, their needs and why they contact the council and use that information to improve
- Make sure customers can deal with the council in ways that suit them, which also use limited resources wisely
- Improve training so staff can deal with queries straight away
- Do more to prevent a problem happening in the first place

- Do more to help residents and businesses help themselves

Strategic partnership in Hertfordshire

Mr Moss highlights another example, this time drawing on Serco’s work with Hertfordshire to rework the council’s customer service, with a particular focus on social care.

It is an aim that will resonate with many top-tier authorities, whose adult social care bills are rising as the population ages, in the face of increasing public scrutiny on care standards and often overstretched frontline workers.

Under the arrangement, active since 2011, Serco

provides a range of front- and back-office functions including communications and technology services, finance, payroll and HR.

As well as this, Serco provides Hertfordshire with adult social care services, which combines Hertfordshire’s care expertise with Serco’s technical ability and results in a service that is more efficient for the council and keeps elderly people independent in their homes for longer than traditional care models would.

There are two main parts of the strategy to tackle the growing demand for social care. First, Serco and Hertfordshire CC set out to improve the customer journey for people already accessing care or who need advice on care packages, applying for funding and home adaptations

The Serco Social Care Access Service, launched in 2012, delivers adult social care services on behalf of the council. The service operates alongside various care providers to help deliver services to elderly or disabled people as well as their carers.

SSCAS provides advice, information and support to members of the public in accessing care services. It helps care users to retain as much independence as possible, through provision of support at home and aids and equipment, and it provides advice on special resources such as disabled facilities grant.

As well as this, Hertfordshire CC and Serco, along with specialist technology firm Tunstall Healthcare, have installed telecare systems in 4,000 homes in the county. It is the UK’s most comprehensive remote care arrangement.

Telecare works by alerting a carer to potential issues within service users’ homes. They can include motion sensors, carbon monoxide sensors, flood alert warnings, medication management systems and devices to help service users raise the alarm if there has been an accident.

Had Hertfordshire relied on the traditional arrangements for care provision, the rise in demand would have meant that care costs would have doubled in the county by 2026. However, telecare monitoring is expected to cut that cost by helping to prevent the need for referrals into residential care and reducing current home care demand.

All in all, Mr Moss says, redesigned services must focus on prevention and efficiency, and this means a move away from the old models of dependency and onto the new.

“That will require a seismic shift in attitude from all who are involved: service users, service commissioners, service providers and politicians,” Mr Moss says.

“This will be a challenge to all. Modifying expectations on patterns and methods of service delivery and service specifications will improve outcomes for service users.”



FOREWORD
MICHAEL WINDMILL
Principal consultant
Atkins

Rise to the challenge of transforming services

Every local authority is contending with shrinking budgets and increased demands on services. These pressures make genuine service transformation a necessity. This means strategically repositioning services and focusing resources on delivering the greatest benefit for end users.

Years of uncertain and fluctuating budgets, coupled with continuously changing political priorities, have forced local authorities into a pattern of short-term, often reactive, decision-making to try to maintain the current service. This makes longer-term strategic planning an almost impossible task.

With the introduction of local enterprise partnerships and greater certainty on medium-term funding from central government, local authorities now have the opportunity to bring about significant changes and achieve broader social and economic outcomes; helping businesses grow, creating new jobs for residents, and promoting safe and healthy communities. To truly transform local government services means turning services on their head, challenging longstanding beliefs and preconceptions and starting from first principles. In the same way businesses plan and cater for customers' and client's needs, local government's customer is the public. So that's where strategic planning starts.

At Atkins we work with public sector clients to bring about this fundamental shift in thinking and answer critical strategic questions – who are our users and what are their needs? If we know what users want, what does that mean for my organisation's priorities and the type of service we need to be?

Our work with Surrey CC's highways and transport service is just one example of the importance that strategic repositioning plays in transforming services. We focused on:

- Understanding user needs and how the service supports broader outcomes
- Defining the service's purpose
- Identifying the priority initiatives the service needs to provide to meet these needs
- Developing a vision for the service and a long-term strategic plan

Surrey CC has been able to develop a deep understanding of how its extensive highways and transport network is being used.

Critically, with Atkins Surrey CC has been able to prioritise and make strategic decisions based on a single, clear vision for the future of the service aligned to broader social and economic outcomes.

The benefits of strategic repositioning are already being seen at Surrey CC's highways and transport service through improved asset management, a prioritised pipeline of investment priorities, aiding negotiations with suppliers, a clear vision for staff and increased collaboration with other parts of the council.

FOREWORD SUPPLIED
BY ATKINS

ATKINS

On the road

The Highways Maintenance Efficiency Programme is assisting councils to maintain and improve their road networks. **RACHEL DALTON** reports

Road maintenance is one of the most visible and often contentious areas of council work. The vital job of ensuring roads are well maintained and development sufficient to meet rising demand can be complex, costly and time consuming, and in an era of austerity, the pressure on councils is growing. However, the Highways Maintenance Efficiency Programme can assist councils in meeting the challenge.

What is the HMEP?

The HMEP is a sector-led transformation programme funded by the Department for Transport. Its aim is to bring together authorities and other sector partners to engage in peer learning on road maintenance and provide a variety of resources.

These include toolkits on asset management, collaboration and change, procurement, contracting and benchmarking performance. Atkins has worked with the HMEP on the development of some of those resources.

The programme brings together a variety of partners, including the Local Government Association, the Chartered Institution of Highways and Transportation and the UK Roads Liaison Group, among others.

Several authorities have already taken advantage of the tools available. One of these is

the strategic peer review, in which participating authorities receive a three-day, onsite peer challenge process to help identify opportunities for improvement, efficiencies and change.

Modelled on the process developed more widely by the LGA, the reviews are sector-led, involving officers and members, and focused on developing recommendations and an action plan.

Jason Russell, assistant director for highways and transport at Surrey CC, has been involved with the HMEP and the development of some of its resources.

Surrey CC presented the perfect opportunity to shape the peer review service, which, in turn, made the county's approach to road maintenance possible.

"Surrey has similar problems to many other authorities but some quite unique ones as well," Mr Russell explains.

"Our traffic levels are about 60% above that of other counties, because we are on the border of London with the M25 running right through the county and we have some very busy towns. We also have a large economic output, which means traffic is very heavy.

"To hold our road network at a steady state and stop it deteriorating, we would need, over five years, £45m more than we receive in funding for that. So in 2012, we were looking at a number of ways to respond to that challenge."

ad to success



Surrey had a unique approach to funding its highway maintenance, which meant that there was no blueprint for its programme. This presented some problems that the first peer review aimed to tackle.

“We’ve always wanted to break out of annual budget cycles, because that means we can’t give long-term guarantees to suppliers to get best value, so we got a five-year capital budget,” Mr Russell explains. “No other highways authority had done anything like put a five-year programme together. We wanted to do a peer challenge review to check that we hadn’t missed anything.

“So we sent a document to the HMEP peer team setting out the challenge and they sent a team out to spend three days on site with us, and then sent back their

thoughts on the third day. We turned the recommendations into an improvement plan, which we finished in January. Our five-year capital programme started in April 2013. The peer review helped to ensure it has been a success and reduce our costs by around 15%. We are spending £20m to £30m per year so that is significant.”

Part of that saving comes from having a more holistic approach to the work itself, and part of it comes from being able to negotiate better deals from suppliers. “Because we have much longer-term planning and we are working with suppliers earlier, they can offer us 10-year warranties, so it’s cheaper and better quality,” Mr Russell says.

Blackpool Council has also used the peer review resource, and deputy chief executive Carmel McKeogh says it

helped the council hone its engagement strategy and encourage cross-departmental working on highways.

Blackpool’s highways asset management programme, Project 30, was a £30m investment project funded by an EU loan, which aimed to prevent serious deterioration of the road network in order to realise £150m in savings on maintenance over 25 years.

“We borrowed money in order to invest in the highways, and we wanted to test through peer review that our assumptions on delivery were correct, to give us some assurance about how well the project was working,” says Ms McKeogh.

“At the end of the peer review we wrote an action plan. It wasn’t all about what the highways team would do; there were actions for the communications team, the marketing team, finance and procurement.”

Engagement with the public on highways was also a focus of the review and the action plan. The review inspired the authority to set up its highways asset management forum, which brings together a diverse collection of local stakeholders, from taxi drivers to shop owners to disability forum members, to discuss the way highways are maintained.

“In the past, the highways team was hesitant in engaging with stakeholders but now the team has created a very different relationship with the

public,” says Ms McKeogh.

The review has helped Blackpool to reduce its costs by £200,000 while still improving satisfaction.

Supply chain review

Surrey CC also trialled the HMEP’s supply chain review tool. This helps authorities review their contracts with suppliers and bring in efficiencies. The supply chain review gave Surrey the opportunity to negotiate better deals from suppliers by engaging them earlier in its plans. “If our suppliers know in advance what they are doing, they can do things more cheaply,” Mr Russell explains.

“For example, we would normally work with a supplier like Kier, which in turn has completely separate conversations with specialist providers that are often involved at a much later stage. We wanted to open that up so that these secondary suppliers are involved earlier.”

The HMEP also offers authorities asset management guidance, which Atkins has helped to create. Mr Russell says Surrey CC is also working with Atkins and using this guidance to introduce more long-term asset management to its road maintenance programme.

“We’re doing work at the moment to look at how our highways assets will depreciate over the next 15 years and work out how spending differently would affect that,” he says.



FOREWORD
JON GIBBS
Product strategy director
Civica

Shared services on an upward trend

In October Durham CC designed a fun game for residents to play at public consultations. It mimicked the iconic Monopoly board but was constructed to identify cost cuttings rather than spending opportunities. Although this was a light-hearted way to bring citizens on board, the exercise demonstrated the depth of the challenge facing councils today.

According to press reports, Durham CC has cut £130m from its budget over four years and needs to save another £90m over the next three years. The unrelenting pressure to make further cuts isn't surprising; the Institute for Fiscal Studies (IFS) recently uncovered wide variations in the impact of the austerity measures. The North East of England has reportedly been buffeted the most from the austerity measures. Durham needs to identify further savings but the situation isn't as dire as some of its neighbours, in part because it had a head start in the race to absorb cuts.

In 2009, a political decision determined the unification of the authority, from eight councils to one unitary authority. In order to support the move the council built a shared service with Civica, covering revenues, benefits and income management and identified manifold gains. The merger, which accompanied far-ranging consolidation of core processes and systems, will continue to deliver efficiencies and cost savings well into the future. This means the authority is better positioned to meet its targets without impairing front line services.

The creation of the unitary authority, which initiated the development of a common platform from which to automate previously discrete manual processes, has enabled the council to realise cashable savings and plan for a new future landscape with more flexible, connected and immediate ways of working in which many citizens can self-serve.

Now the 2013 welfare reforms have been bedded down, local revenues and benefits departments are sticking their heads above the parapets and asking how they can reform. Based on Civica's dealings with councils up and down the country, I have observed an upward trend in digital transformation programmes, automation and a shared services model. As the need to find further efficiencies bites deeper and councils' political characteristics evolve, there will be more opportunities for like-minded authorities to pool resources, unite back-office functions and heavily automate manual processes; so expect more councils to save significant sums of money, without impeding the customer experience.

FOREWORD SUPPLIED
BY CIVICA

Durham re

A revenues and benefits redesign has increased automation while improving document and workload management efficiency. **NIC PATON** reports

“We used to be seven districts and one county council. In 2009, when we first met together, we had 39 separate bank accounts,” explains Karon Riddell, senior income officer at Durham CC, in the process neatly illustrating how, for many councils over the past five years, the term ‘integration’ has meant needing to combine strategic vision with very practical solutions.

In Durham's case, its transition since 2009 has been helped by a shared service partnership with Civica that brought together previously discrete revenues and benefits and cash receipting operations into a single entity, increasing automation and efficiency in billing, council tax and income collection as well as document and workload management.

Bringing together the very different income systems was “a massive conversion”, explains Durham's head of revenues and benefits Ian Ferguson. It wasn't just a case of integrating technology; all the councils allocated different resources to this area, had different staffing levels and varying operational approaches. The process also had to be managed while maintaining day-to-day assessment, council tax and income collection.

The council recognised that whatever new process infrastructure was put in

place needed to be the best fit for its new look as a unitary rather than simply “trying to fit the system around your process”, Mr Ferguson says. Instead, “you take the system, use it and change what we could to make sure we get efficiencies out of it.”

From a tendering process begun in 2009, the new shared system, based around Civica's Revenues & Benefits and ICON platforms, was in place from December 2011.

Implementation was a two-stage process: first the introduction of a unitary income management and cash receipting system; and second, the building of a common revenues and benefits platform in tandem with streamlined cash receipting and income management systems.

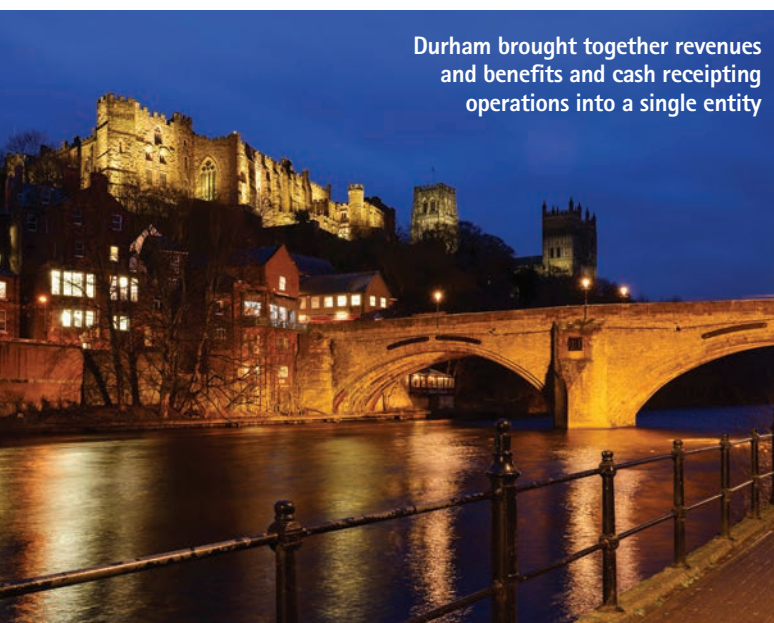
The result has been that there is now a common technology platform for council tax demands and collection operations as well as much more efficient processes for income management, cash receipting and bank reconciliation.

Key changes, as Ms Riddell explains, included reducing by 2012-13 the 39 bank accounts to two; there is now just one income account and one giro account. “We also offer people more convenient ways to pay, such as the internet,” she says.

A time-consuming direct debit infrastructure has also been transformed from 120 direct debits that had to run



aps shared benefits



Durham brought together revenues and benefits and cash receiving operations into a single entity

manually down to just 14. “We have a bank reconciliation module, for reconciling all the money that comes in, which we bought from ICON. It used to take us two or three weeks to do it on the bank account manually; we’ve got this down to less than a day,” says Ms Riddell.

Change on this scale has not been without its teething problems. For example, there was some resistance to change among local teams. Support development team leader Jamie Ruddell says that initially “everyone wanted to continue doing what they had always done”. Project delays and processing backlogs also cropped up.

But staff have become familiar with the change and the benefits of automation

have become more apparent. Mr Ruddell says: “Previously you would have people sitting all day long inputting parameters to the processes. Now we can do that without anyone having to intervene at all except for the check at the end.”

“We’ve done major things over the last two or three years, particularly around the introduction of workflow automation,” agrees project manager for revenues and benefits Heidi Moore.

“We used to manually allocate work via a document imaging system. That meant every day time was spent allocating that work. The automated system runs on a rule and allocates the work to staff. It works as a drip-feed, so if they do run out of work,

they just press a button,” Ms Moore adds.

The council is poised to introduce text reminders for council tax payments. From April it will implement e-billing and later will introduce open access as well as greater automation around council tax and housing benefit changes.

“It’s early days on the e-bill project,” says Ms Moore. “We targeted 25,000 council tax accounts and out of that we got 13,000 people to sign up. The average postal cost is about 43p per item, but to send an e-bill is less than 1p when it’s done in bulk.”

The aim “is to try to hit as many people as we can”, she adds, as well as target those who have quite a few changes throughout the year and so where the costs of paper contact are highest.

The aim of the open access project is to allow a customer to log on to their account online and see all the information that is relevant to them. “They will be able to change things and this will feed into the back-office,” explains Ms Moore.

“They can go online to check when the next bill is and how much; that already saves us a lot of customer contact. Doing the e-billing promotion has made people go on to the website and sign up to open access,” she adds.

Automation of council tax and housing benefit changes will mean that a customer’s council tax changes will feed

through to any housing benefit claims they have, continues Ms Moore.

The lesson for councils from Durham’s experience is to recognise first that change on this scale cannot be done half-heartedly. Second, it is important to recognise a project of this nature, while nominally about technology, is actually about communication, training education and ‘buy-in’.

As Civica itself points out, the council’s “phased integration system training and very frequent communication with staff” has helped to change attitudes and working practices across the council’s multiple locations and “ensured that different departments’ staff have successfully raised productivity and operational efficiency”.

As a result, “Durham’s teams are managing key workloads like council tax and business rates better and boosting frontline services to communities,” Civica adds.

As Mr Ferguson argues, the change has been profound. “We have built an effective shared services model covering revenues, benefits and income management. We partnered well with Civica and learned to plan and plan again. We have kept communicating with our staff on the programme milestones but also the interim targets to make it all happen.”



FOREWORD

GARY MOORE
Chief executive,
Propelair

The toilet reinvented

For years I was troubled by the issue of why toilets used so much water per flush; 9 litres or more seemed completely at odds with modern thinking on conservation and economics.

Having worked on the Thames in east London, I knew about the amount of human waste pumped into the ecosystem daily. Toilets use a huge amount of clean water, much of it quickly turned into sewage, the energy involved in the process further depleting fossil fuel and adding to debt.

We've been using the same type of toilet for more than a century, with only small technical improvements. As an engineer, I was always working on problems but the flush issue held my imagination. The breakthrough came when I operated the first flush on a prototype and saw that it worked.

The key to Propelair is innovation and this presents advantages for efficiency-minded local authorities. Councils are waking up to the financial cost of wastage from inefficient or outdated toilets. There are major implications, too, in environmental impact, public health and employee productivity and wellbeing.

Propelair's patented displaced air POWA technology produces a powerful, high-performance 1.5 litre flush while reducing average water usages by 84% and reducing carbon footprint by an average 80%. As well as saving water and money, Propelair can be fitted virtually anywhere as it doesn't rely on gravity drains and sloping waste pipes, as conventional toilets do.

The cistern comprises two sections: one for an air pump and the other for water, connecting to the pan via two click-fit hoses. Before flushing, the lid is closed to seal the pan. The flush sends water then air into the pan, expelling the entire contents. The remaining water refills the trap, complying with building drainage regulations, so minimal water is required for cleaning and drainage.

Launched commercially in 2013, Propelair is UK-manufactured to ISO9001 and AS9100 and approved under WRAS, BSI Kitemark and Watermark.

Efforts to implement environmental technologies are often unnoticed but everyone uses toilets, which is a key potential benefit for local authorities. Propelair means authorities can promote their environmental credentials and show the efficiency of sustainable technologies in the workplace. Employees appreciate something that's useful, modern, well designed and with a low carbon footprint.

We are proud to see our product taken up so keenly by public bodies. Propelair is a timely innovation as clean water is set to become scarcer worldwide through population growth and climate change. It also promotes health by helping prevent the spread of cross-contamination from viruses and infections through flushing.

FOREWORD SUPPLIED
BY PROPELPAIR

Saving wa

With water costs a big issue, Propelair's **GARY MOORE** explains how local authorities can tackle water waste

Every public authority is faced with the challenge of delivering improved efficiency in service provision while staying within budget or, in many cases, reducing expenditure. Those negotiating this path need detailed market knowledge, financial acumen, technical expertise, project management skills and imagination.

Often the automatic public response to any talk of greater cost-effectiveness, however well presented, is an expectation of cuts to jobs or services or both.

Water costs are a big issue for local authority chief executives and finance directors, some of whom are increasingly reluctant to stand by as money is flushed down the drain. Negotiating with suppliers may not be productive in such a highly regulated sector. Urging people to use less is likely to have limited effect, taking into account money spent conveying the message.

Propelair, the UK designer and manufacturer of the revolutionary water-saving toilet, is generating major performance, environmental, financial, productivity and healthcare benefits for local authorities that are grappling with budgetary constraints due to austerity measures and see water savings as a major route to reducing overheads.

Propelair produces a powerful flush using 1.5 litres

of water compared with an average 9 litres. A high-performance product, it generates major savings on water and energy use in public and commercial buildings. Not only does this provide early economic payback through reduced water use, followed by years of savings, it radically reduces property owners' carbon footprint and boosts hygiene by cutting airborne germs.

The company is an innovative supplier, forged in the new austerity, that understands the need to economise and will instinctively anticipate the efficiency needs of their public-sector customers.

In the UK, improvements in lifestyle and availability of new equipment mean we use twice as much water as in 1930. Consequently, more than 60 million people use on average 150 litres of water per day. Average WC flush volumes in the UK are 9 litres and often more, due to double flushing and leakages in dual-flush toilets or those high-

“ These new toilets have the potential to save huge amounts of water, cutting costs, increasing sustainability and improving hygiene
Pete West, Brighton & Hove City Council

ter and money



- 1 Propelair® has a two-section cistern: one for air and one for water.
- 2 Before flushing, the lid is closed to form a seal.
- 3 When the flush button is pressed water enters the pan to wash it, followed by air from the unique patented pump. The air cannot escape due to the sealed lid. This pushes out the entire contents of the pan to give a powerful, reliable flush.
- 4 The remaining water refills the water trap.
- 5 The flush is completed in 3 seconds with the toilet ready to be re-flushed in around 20 seconds (subject to water supply pressure).



Propelair's patented displaced air POWA technology produces a powerful 1.5 litre flush while reducing average water usage by 84% and reducing carbon footprint by an average 80%

capacity old cisterns still operating.

Propelair has been working closely with a growing list of councils to tackle these problems. Since launching in 2013, it has installed multiple toilets for Brighton & Hove City Council, Redbridge LBC, Greenwich RBC, and Winchester City Council.

Redbridge LBC is among those to see water savings as a major route to reducing overheads and to recognise Propelair's environmental, productivity and healthcare benefits.

Propelair has installed 45 toilets for the borough in Lynton House, Ilford. Built in 1969 and opened the following year, the 40 metre tower is one of London's early tall buildings and now accommodates key council functions such as children services, human resources, finance services, highways

and property services.

One reason the installation proceeded smoothly was that Propelair can be retro-fitted to drainage systems, simply connecting pipes already in place. A key benefit was the way the installation overcame an existing drainage problem, simultaneously reducing wastewater volume by 84%.

Onsite pilot trial monitoring of three Propelair toilets indicated annual water savings of 243 cubic metres – or £529, with an embodied carbon reduction of 91kg. As 45 units are installed, the savings are anticipated to be considerably more.

Created to fit to existing drainage systems with minimal disruption during simple, low-cost installation, Propelair offers significant space savings. It also improves hygiene by suppressing aerosol contamination, contributing

to a healthy environment for staff and other building users.

Meanwhile, there is continued pressure to provide public toilet facilities.

Accessible toilets are vital to the elderly, disabled and unwell who need time outdoors to fulfil their potential. The economic considerations include loss of custom from retail and a decline in tourism.

Last year, working with Brighton & Hove City Council, Propelair updated the public toilets in Brighton's Royal Pavilion Gardens. The historic city-centre site is hugely popular with local residents, commuters and tourists, so demand is high and the amenities are extremely well used and fully attended year round.

The Royal Pavilion toilets are vital to the local economy, serving visitors to the nearby beach and shops as well as

the landmark Regency buildings. The council was seeking energy and cost-effectiveness, hygiene and queue reduction – important in a bustling seaside city.

The best local authorities take their obligations to innovation and sustainability seriously and these are objectives shared fully by Propelair. The Brighton order was seen as a big endorsement for Propelair as the council had won in six categories of the UK Loo of the Year Award in December 2013 as well as being overall winner.

Pete West, chair of the environment, sustainability and transport committee, says: "This council is recognised as the top local authority in the country for providing and maintaining our public toilet facilities, and we are constantly looking for new ways to update and improve this service, while keeping within our budget restrictions. These new toilets have the potential to save huge amounts of water, cutting costs, increasing sustainability and improving hygiene."

A key consideration was looking after installed capacity to ensure public toilets were kept operating to the highest standards.

While annual checks on various Propelair parts are recommended, the loo is designed to be maintenance-free and this is a big advantage to authorities. The aim is not only to save water, but also cut costs and keep well used facilities up to date.

ATKINS

CAPITA

CIVICA

ESTA 
Environmental Sustainability
Technical Assistance

propelair[®]

serco

To view this supplement online
or see other LGC supplements, visit
LGCplus.com/Supplements