

the big idea:

putting people first

Change the Thinking
& transform services,
boost staff morale
and maximise returns
on investment

the big idea:

putting people first

Change the Thinking
& transform services,
boost staff morale
and maximise returns
on investment



Table of Contents

5	Foreword
6	Executive summary
8	Introduction
9	Background
10	An introduction to systems thinking
15	The Advice NI systems thinking project
	Purpose
	Demand analysis
	Capability
	Unfinished business
24	Conclusions & recommendations
25	Appendix 1
27	Appendix 2
29	Appendix 3
35	Appendix 4



Foreword

“We are going to have to change the way we work,” he said. “How can we do things differently and better to give value for money?” David Cameron (quoted in the Guardian 4th Aug 2010).

It is very apt that this report is being published at a time when government spending cuts are likely to have an unprecedented impact on public services and how they are delivered. How can we maintain excellent public services, empower our public sector workers and drive efficiency into public service delivery are the key questions presently taxing the minds of our politicians and senior civil servants. These questions are in many ways at the heart of this report, but we didn't set out to intentionally answer them. In undertaking this exercise our chief concern has been and remains: how could we get better public service delivery that improves the lives of people using advice agencies and how could we free up capacity, in an already overstretched advice sector, so that advisors could concentrate on 'value' work in supporting their clients who required greater support and intervention? We knew instinctively (from our member agencies and others) that something was going badly wrong for many people trying to access benefits and other services. Government Ministerial targets on meeting claims for benefits and other services appeared to be being met, but something was amiss. The direct experiences of our advisors was telling us that a major part of their working day was spent unravelling the problems and difficulties their clients were experiencing with the system - in getting their benefits paid on time, lost claims, lost paperwork, poor decision making etc, etc, etc.

So we began a process of persuading our lead funding department (Department for Social Development) to support a pilot project to try to explore what was happening using the Vanguard systems thinking method - building on the work undertaken by our sister organisation Advice UK in their report 'It's the System Stupid.

This report does not provide all the solutions (indeed we were only able to take the pilot so far) but we hope that it begins to change some thinking about what's possible in redesigning failure out of public service delivery and we are of the opinion that this approach can save money, improve staff morale and give the customer what they need – not what the system wants to give them. Listening to the customer must be at the heart of system change and it should begin and end with that.

I would like to thank the project team, Kevin Higgins (Head of Policy Advice NI) and John Little (Vanguard Consulting) for their dedication and hard work and the steering group under the very able and robust Chairmanship of Brett Hannam (Strategic Investment Board) for all their help and guidance in undertaking this work. Particular thanks are due to DSD and in particular Janine Fullerton for her vision and assistance in supporting this project and also to the Advice Managers and Advisors in Omagh Independent Advice Services and North Belfast Advice Partnership for their invaluable contribution. A final word of thanks is due to both the Social Security Agency and the Northern Ireland Housing Executive for giving us access to their systems to enable this pilot study to take place.

Bob Stronge
CEO Advice NI

How can we maintain excellent public services, empower our public sector workers and drive efficiency into public service delivery are the key questions presently taxing the minds of our politicians and senior civil servants

Executive Summary

This report: *'The Big Idea: Putting People First'* reflects upon the findings from an Advice NI systems thinking project which commenced in October 2009 and ended in March 2010 involving advice agencies in two pilot areas (North Belfast and Omagh District Council area).

Advice NI was motivated to embark on the systems thinking project in response to the volume of social security and housing enquiries dealt with by member organisations. Advice NI membership profile statistics (2008/09) indicated that social security and housing enquiries accounted for over 150,000, or two thirds of all annual enquiries. Within these categories Disability Living Allowance (DLA), Employment & Support Allowance (ESA), repairs and Housing Benefit were the most common enquiry type.

Figures from the Social Security Agency (SSA) for 2008/09 indicated that in relation to DLA in this period almost 60,000 claims were received; there were a total of 179, 919 people in receipt of DLA and 243, 126 enquiries were dealt with. In relation to ESA in this period over 30,000 claims were received; there were a total of 14, 276 people in receipt of ESA and over 258,000 enquiries were dealt with.

Similarly information from the Northern Ireland Housing Executive (NIHE) for 2008/09 indicated that in relation to repairs over 490, 000 queries in relation to defects were received and almost 360, 000 jobs completed; and 56, 363 applications for Housing Benefit were received although information in relation to associated enquiries was not collated.

Advice NI was drawn to the systems thinking methodology following work carried out by Advice UK in Great Britain and their concerns that plans for improving legal and advice services would lead to an advice sector which would be more focussed on serving the 'top down' interests of government than the 'bottom up' interests of people seeking advice.

Advice NI believed that a systems thinking approach provided an alternative option and a better way to transform both advice services and public services in Northern Ireland. Essentially the systems thinking approach requires management to understand that systems govern performance, not the people who work in the system; and that up to 95% of organisational performance is governed in this way: so in order for any organisation to improve its performance it needs to understand and improve its system rather than focus on managing. At the highest level, any system responds to two types of customer demand: 'value' and 'failure' demand. 'Value' demands are those you want customers to place on the system; they are the reason you are in business. 'Failure' demands are those you don't want; demands caused by a failure to do something or do something right for the customer.

A systems thinking approach requires a thorough knowledge about customer demand 'in the clients' terms' (what do they want and need from the service?). It then deploys expertise at the point of customer transaction to get the work done faster and more efficiently.

'Value' demands are those you want customers to place on the system; they are the reason you are in business.

Conclusions in relation to the project:

- (1) Social security and housing enquiries accounted for the majority of demands hitting advice services in the pilot areas;
- (2) Due to restrictions in terms of time and resources it was decided to focus attention on the most common social security and housing enquiries namely DLA, ESA, repairs and Housing Benefit;
- (3) During the 5 week demand analysis period, a total of 907 demands in relation to the 4 categories were recorded by advice agencies in the pilot areas;
- (4) Demand analysis of these enquiries highlighted that 80% were categorised as 'failure' demand: work that should not need doing, caused by failings 'further back' in the systems of the SSA and NIHE;
- (5) It was found that 20% of enquires were categorised as 'value' work (for example the client wanted to know if they might be entitled to help);
- (6) The advice organisations in the project were found to have developed methods of handling enquiries that were client-focussed and resource efficient.

Restrictions in terms of time and resources meant that the project was only able to complete 3 of the 6 steps of the Vanguard Model for 'check' and was unable to move on to 'redesign' for a better way of working to improve performance and then 'roll in' new ways of working. However the findings suggest that there is merit in completing the project, with a view to addressing the system conditions which are generating demand for frontline staff in advice agencies and for the SSA and NIHE.

This report recommends that:

1. The SSA, NIHE and indeed all public sector frontline service providers consider undertaking demand analysis work, thereby accessing and utilising client information in terms of the nature of demand hitting their frontline services;
2. The Advice NI systems thinking project be enabled to continue and complete the remaining stages of 'check', 'redesign' and 'roll in' with a view to establishing an evidential basis for the widespread adoption of a systems thinking approach to service delivery in Northern Ireland;
3. A larger systems thinking pilot be initiated in partnership with the advice sector, SSA, NIHE and/or a housing association. It is envisaged that such a collaborative approach would provide a well balanced, evidence based perspective on systems thinking particularly in terms of improving service to clients and staff morale, whilst ensuring resources are deployed efficiently;
4. Advice agencies should consider adopting a systems thinking approach with a view to providing the best possible service to clients;
5. Funders of advice agencies should adopt a systems thinking approach to contract conditions and requirements. This should include moving from an emphasis on delivering advice 'transactions' to learning from demand; identifying and removing any inadequacies in the advice system and improving services for clients.

Introduction

Advice NI¹ is a membership organisation which was set up in 1995 to develop an independent advice sector that provides the best possible advice to those who need it most.

Membership of Advice NI is for organisations that provide significant advice and information services to the public. Advice NI has 65 member organisations operating throughout Northern Ireland, providing information and advocacy services to over 117,000 people each year on over 247,000 enquiries including: social security, housing debt, consumer and employment issues. All members are required to adhere to the Advice NI membership criteria and demonstrate that they are committed to, and that their advice services reflect, the fundamental principles of equality of opportunity, independence and impartiality.

Members are able to access a range of services including practical advice and assistance on social policy and social welfare law issues; a quarterly newssheet (Advice Matters) focusing on developments and issues relevant to the advice field; Information & Communications Technology support; training programmes including Wiseradviser money and debt advice courses, National Vocational Qualifications in Advice & Guidance and 'Advantage', an older person's adviser course.

Vanguard² helps organisations through a process of change from command and control to a systems approach to the design and management of work. Such an approach has been shown to improve customer service, staff morale and reduce costs associated with service provision.

Vanguard has pioneered the transfer of Taiichi Ohno's ideas behind the Toyota Production System for service focussed organisations. Service is different to manufacturing. In simple terms, there is inherently greater variety in customer demand, hence the need to design processes that will absorb variety.

Service is different to manufacturing. In simple terms, there is inherently greater variety in customer demand, hence the need to design processes that will absorb variety.

¹ www.adviceni.net

² www.thesystemsthinkingreview.co.uk/index.php & www.systemsthinking.co.uk/0-2.asp

It also concluded that advice organisations could make a notable contribution to improving public service delivery and cutting costs.

Background

This report *'The Big Idea: Putting People First'* builds upon work carried out by Advice UK in Great Britain and their concerns that plans for improving legal and advice services would lead to an advice sector which would be more focussed on serving the 'top down' interests of government than the 'bottom up' interests of people seeking advice.

In May 2006, Advice UK submitted a proposal to The Baring Foundation which aimed to test an approach to improvement that focussed on the service user, critically examining service delivery design 'front to back' from the service users perspective. A particular technical consultancy was chosen to support this project, Vanguard Consulting, because of their unique approach to studying client demand and re-designing service delivery to meet that demand. In 2008 a report on the project was produced entitled *'It's the System, Stupid!'*³, which was launched in Northern Ireland at the Advice NI Annual General Meeting in November 2008.

The report reached a number of conclusions including that most advice organisations struggle to cope with demand on fixed resources, but much of that demand is 'failure demand' - work that should not need doing - caused by failings further back in the systems of public service administration. The report suggested that flaws in these systems were creating unnecessary work and costs within public services as well as in advice organisations. It also concluded that advice organisations could make a notable contribution to improving public service delivery and cutting costs. However, the increasing practice of funding them solely for advice 'transactions' has hindered the collaborative benefits of partnership learning, waste reduction and service improvements within both the advice and public sectors.

Advice NI believed that a similar direction of travel existed in terms of government policy in Northern Ireland. Public services were being influenced by the reviews conducted by Sir Peter Gershon⁴ *'Releasing resources to the front line: Independent review of public sector efficiency'* and Sir Michael Lyons⁵ *'Well Placed to Deliver? – Shaping the Pattern of Government Service'* in 2004 and Sir David Varney in 2006⁶, *'Service Transformation: A better service for citizens and businesses, a better deal for the taxpayer'*. These reports fundamentally examined public services in a top-down fashion and focused on benchmarking performance across departments, joining up back office functions and examining the scope for integrating front-line service delivery.

Specific approaches in Northern Ireland included *'Opening Doors'*⁷ a strategy for the delivery of voluntary advice services to the community launched in September 2007. This strategy proposed a network of 'hubs', not entirely dissimilar to the network of Community Legal Advice Centres (CLACs), proposed in England and Wales. Responding to the consultation on this strategy in 2006, Advice NI argued that *"to apply a top-down area hub model rather than a bottom-up integrated network of provision introduced a real risk of losing what is good and effective about what currently exists."*

In December 2008 the Social Security Agency consulted on its Strategic Business Review *'Delivering a Better Service for Customers: Changes to how Services are delivered through the Jobs & Benefits and Social Security Office Network'*⁸. Advice NI expressed concerns that *"for people who are or will become reliant on social security benefits – there is a risk that the proposals (telephony and face to face service by appointment only) may not actually improve services; and indeed may result in a poorer service, causing stress, confusion and ultimately hardship for vulnerable low income households."*

³ www.adviceuk.org.uk/projects-and-resources/projects/radical/ITSS

⁴ www.hm-treasury.gov.uk/d/efficiencyreview120704.pdf

⁵ www.hm-treasury.gov.uk/lyonsreview

⁶ www.hm-treasury.gov.uk/d/pbr06_varneyreview.pdf

⁷ www.dsdni.gov.uk/vc-opening-doors-report.pdf

⁸ www.dsn.gov.uk/consultation-delivering-better-service.pdf

An introduction to systems thinking

Vanguard Consulting offer a range of publications and training courses that provide in-depth explanations and analysis of the systems thinking approach. In the context of this report it is only possible to give a brief introduction to the systems thinking approach, but one which is necessary in order to provide an understanding of the methodology employed in this project.

Vanguard was founded in 1985 by Professor John Seddon. An interest in why intelligent, rational people did unintelligent and irrational things when placed in organisations led him to the work of Dr W Edwards Deming (1900-1993), the American statistician, consultant and academic often called the father of the Japanese miracle for his work with Japanese industry in the 1950s and 60s⁹. Deming observed that systems govern performance, not the people who work in the system. He showed that up to 95% of organisational performance was governed in this way, so that in order for any organisation to improve its performance it needed to understand and improve its system rather than focus on managing people, as most organisations did, through devices such as inspections, targets, incentives and penalties. His approach was widely adopted in Japan and led to huge productivity improvements. At Toyota, Taiichi Ohno built on Deming's teachings to develop the famous Toyota Production System wherein their whole operation, from end-to-end, is continuously, methodically, under review by the people who work within it.

Seddon saw that the manufacturing approach could not be directly transferred to services, where there is greater variation in demand, because the service user is more involved in the process. In consequence Vanguard has since pioneered the translation of the systems thinking approach to service sector organisations. Instead of thinking of the system as one that pulls physical things together to manufacture, the Vanguard ethos envisages that the service sector is one that brings largely intangible expertise together, in response to the variety of customer demands.

Quoting from John Seddon's book 'Systems Thinking in the Public Sector':

"At the highest level there are two types of customer demand: 'value' and 'failure' demand. Value demands are those you want customers to place on the system; they are the reason you are in business. Failure demands are those you don't want: demands caused by a failure to do something or do something right for the customer. It follows that failure demand, being created by the organisation, is entirely under the organisation's control. Turning off the causes of failure demand is one of the most powerful economic levers available to managers; it has an immediate impact on capacity."

'Waste' is defined as anything which does not add value in the eyes of the customer.

Failure demands are those you don't want: demands caused by a failure to do something or do something right for the customer. It follows that failure demand, being created by the organisation, is entirely under the organisation's control. Turning off the causes of failure demand is one of the most powerful economic levers available to managers; it has an immediate impact on capacity.

⁹ www.deming.org

There is a sharp contrast between the systems thinking approach and the hierarchical management approach which Seddon calls 'Command and Control Thinking'. This contrast is summarised in the table below:

Command and Control Thinking		Systems Thinking
Top-down	Perspective	Outside-in
Functional specialisation	Design	Demand, Value and Flow
Separated from work	Decision-Making	Integrated with work
Budget, output, activity targets, standards etc	Measures	Related to purpose, capability, variation
Extrinsic(carrot & stick)	Motivation	Intrinsic
Manage budgets and people	Ethic	Act on system
Contractual	Attitude to customers	What matters.....?
Contractual	Attitude to suppliers	Partnering and co-operation

Understanding demand in citizens' terms (what do they want and need from the service) leads to knowledge about the expertise required to service those demands.

In terms of developments within the public sector, Sir David Varney's 2006 report for the government on transforming public services made top-down re-structuring recommendations while relying on the introduction of market forces to affect people's behaviours and drive improvement. Even as Varney's recommendations are being implemented across government, doubts about the effectiveness of this approach (and the quasi markets, commissioning, targets and inspection regimes it has introduced) have become widespread.

*A Better Return*¹⁰, which was commissioned by the Cabinet Office and authored by *nef*, (the new economics foundation), argues that the persistence of a narrow focus on unit costs in public services commissioning is missing opportunities to maximise public benefit.

*Unintended Consequences*¹¹, shows how the imposition of centrally driven financial efficiency savings targets, combined with the drive towards greater competition and contestability, is eroding the effectiveness of local public services. Such a centralised approach is thought to drive commissioners of public services towards a regime which focuses on short term costs rather than longer term outcomes for service users.

Whether in education, health or policing, research has suggested that top-down targets can be distorting. As Deming famously observed, "they will likely meet the targets - even if they have to destroy the enterprise to do it".

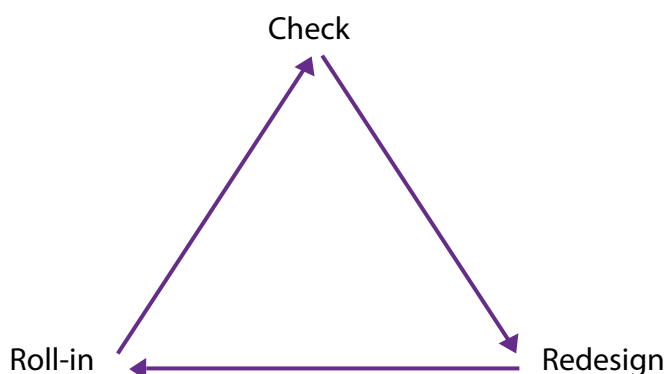
The systems thinking approach advocates managing value and requires, first of all, thorough knowledge about citizen demands. Understanding demand in citizens' terms (what do they want and need from the service) leads to knowledge about the expertise required to service those demands. Deploying that expertise at the point of transaction gets the work done faster and more efficiently. This is real efficiency saving: better services with lower costs. By focusing on providing what customers want costs are driven out; cost-reduction is a consequence, not a focus for management. This 'economies of flow' ideology fundamentally differs from the 'economies of scale' ideology which is represented by front office/back office splits in work where the customer is de-coupled from the service.

¹⁰ www.neweconomics.org/publications/better-return

¹¹ www.neweconomics.org/publications/unintended-consequences

Most importantly, what the systems thinking approach offers is not just a critique of prevailing prescriptions but a proven method by which services can check their focus, measure their performance, identify and remove waste and thereby liberate capacity which becomes available for re-direction and further improvement.

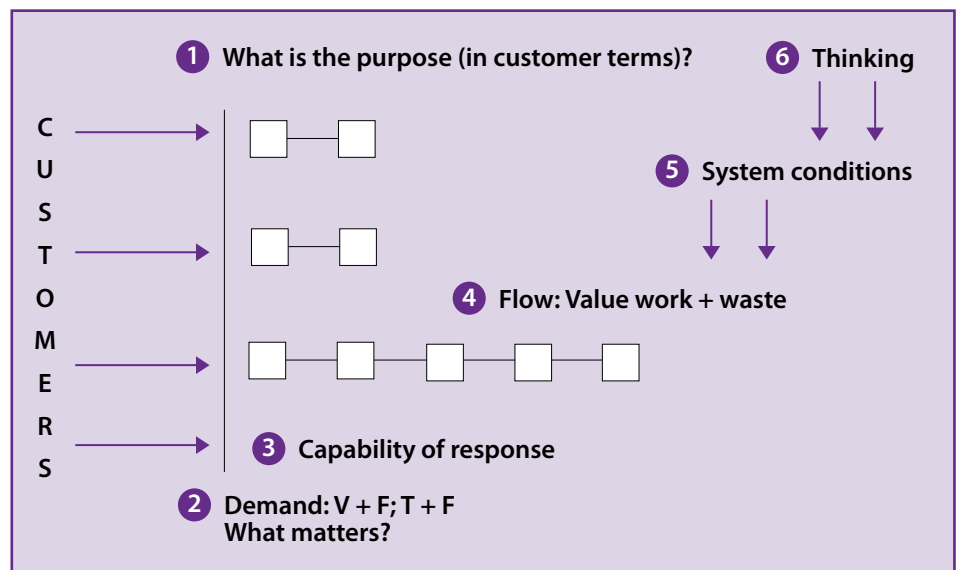
Vanguard's systems thinking method has three stages:



Check

The first stage is to understand what is currently happening and why - by creating a robust, accurate, data driven, picture of the following:

- Purpose: what is the purpose of this system from the customers' viewpoint? This immediately challenges the traditional organisational and functional boundaries that have become the norm, by assessing the client experience and assessing the true cost to us (the organisation) of clients negotiating these boundaries.
- Demand: what is the nature of client demand? Are clients contacting us to access what we offer or because we (or others) have got something wrong? Categorized into the 'types' and 'frequency' of demand & whether they can be described as 'value' or 'failure';
- Capability: what is the system predictably delivering from the clients' viewpoint and how do we measure it?
- Flow: how does the work travel through our system?
- System conditions: what policies, procedures, targets, etc. are in place that make the system behave the way it does?
- Thinking: what are the underlying assumptions that govern the way managers think about the management and design of work?



Use of this three-stage approach, in a wide range of settings, has consistently found that costs fall as organisations learn to do only the work that is of value to clients.

Redesign

Once the system is fully understood, the second stage is to identify waste and experiment (until a new best way is found) with better ways of working to improve performance against purpose. This considers the system as a whole.

Roll In

This stage rolls the new way of working into the organisation in a planned and methodical way. The planned actions are taken and the consequences measured against purpose. Organisations then return to the 'check' stage, thereby initiating a process of constant re-evaluation.

Use of this three-stage approach, in a wide range of settings, has consistently found that costs fall as organisations learn to do only the work that is of value to clients. Clients are more satisfied as they get what they want quickly and correctly, and they are more likely to tell others of this experience. Service and efficiency improve. In commercial organisations, revenue also improves. In addition, people like working for these organisations - they feel empowered and supported, the issues affecting their ability to do the work are dealt with and high levels of morale and motivation are maintained.

Case study (March 2010):

Stroud District Council

The following case study illustrates the improvements that can be achieved using a systems thinking approach:

The starting point to discovering waste, according to Anne McKenzie, Head of Revenues and Benefits at Stroud District Council, is to define your purpose from the customer's point of view.

Her team's new purpose is 'to pay the right amount of housing benefit to the right person at the right time.' Once the team had defined its purpose, they worked out how much of what they did contributed directly to achieving this purpose and how much didn't.

They did this by analysing all calls, visits and emails into their service over a period of time. To everyone's surprise, 90 per cent of all customer demands were not contributing to the purpose and were, therefore, 'waste'.

Ms McKenzie says: 'Much of this waste was due to customers' progress chasing their claims, telling us they did not understand the letters we'd sent them and - by far the most frequent - incomplete claim forms. None of this was the customer's fault. We knew it was our responsibility to change the system.'

Waste

In the old system, the front and back office were split, with generic customer service staff responding to customers at reception points and answering calls. The split meant that dependency on the IT system that scanned and transferred work from the front to the back office (Document Import Processing, DIP) was high.

Ms McKenzie says: 'We didn't realise how slavishly we worked for the DIP system, rather than using it to work for us.'

A result of the front/back office split was that assessors had very little face to face contact with customers.

In the new system, there is no front/back office split. Customers are now seen by a benefits assessor or other trained member of staff when they first come in, with the option of a home visit and help with getting documents to the office if they need it. Customers develop a personal relationship with the assessors, visiting the same assessor again if they need to tell the office about a change in their circumstances.

In the old system, claims often took 40 to 42 days to process. In the new system, most claims are completed within a week, even with the additional workload caused by the economic downturn. Twenty per cent of claims are now completed within two days.

Benefits

Customers love the new way of working and the team often receive letters of thanks and even flowers. Complaints are rare. Waste is also rare; phone calls from customers chasing the progress of claims have almost disappeared because people know that an assessor is personally handling their claim, thus improving confidence in the process. One customer wrote:

'I've always had a fear of any kind of authority and found it a bit daunting to go down to the council offices. To my surprise, I found you approachable, helpful and considerate. I feel I owe you thanks for the way you helped me.'

Staff now see their role as 'helping people to claim benefits.' This is profoundly different to their previous role which was 'to assess benefits.' Sickness in the team has reduced by 44 per cent. Staff enjoy the personal contact with customers and feel a real sense of accomplishment when resolving benefit claims quickly and efficiently.

Ms McKenzie's advice to other housing benefits teams is that a low cost, low risk start to improvement can be made by analysing why customers contact a service.

She says: 'Understanding demand provides data on how much waste there is. This can be a very powerful lever for change.' But she warns that this, on its own, is not enough, 'if you want to change the results, you have to change the system. And to change the system, you have to change how you think.'

To my surprise,
I found you
approachable,
helpful and
considerate. I feel
I owe you thanks
for the way you
helped me.

The Advice NI systems thinking project

Advice NI was motivated to embark on the systems thinking project in response to the volume of enquiries dealt with by member organisations. Advice NI members provide information, advice and representation services for clients on a range of issues including social security benefits, housing, employment and money & debt. Annual profile reports produced by Advice NI since 2000/01 have highlighted that, every year, members assist people with over 200,000 enquiries. Consistently throughout this period, social security and housing enquiries accounted for the majority of enquiries dealt with by advisers; for example in 2008/09 they accounted for over 150,000, or two thirds of all annual enquiries. Due to time and resource restrictions, it was agreed the project should focus on the highest volumes of social security and housing enquiries dealt with by advice agencies, namely Disability Living Allowance, Employment & Support Allowance, housing repairs and Housing Benefit.

Figures from the SSA for 2008/09 indicated that in relation to DLA in this period almost 60,000 claims were received, there were a total of 179, 919 people in receipt of DLA and 243, 126 enquiries dealt with. In relation to ESA in this period over 30,000 claims were received, there were a total of 14, 276 people in receipt of ESA and over 258,000 enquiries dealt with.

Information provided by The Appeals Service (TAS) in relation to social security appeals highlighted that appeals totalling 14,014 were heard during 2008/09 in relation to social security benefits and TAS also highlighted that Advice NI members represented at 932 hearings in this period.

Information from the NIHE for the same period indicated that in relation to housing repairs over 490, 000 queries in relation to defects were received and almost 360, 000 jobs completed; and 56, 363 applications for Housing Benefit were received although information in relation to associated enquiries was not collated.

Advice NI wished to pursue the project in partnership with the SSA and the NIHE with a view to exploring the nature of client demand and examining service delivery design 'front to back' from the service users perspective.

The objectives of the project were to build on the learning from the work carried out in Great Britain and to tailor a systems thinking approach specifically for Northern Ireland by:

1. Identifying the demand for advice services in the pilot areas;
2. Exploring in a holistic manner customers' journey through the advice system, including the process of referral between advice organisations;
3. Exploring, developing and experimenting with changes to advice and related systems to improve services for clients;
4. Providing a list of all system failures identified; and
5. Providing a report on outcome of system failures corrected or otherwise.

It was decided to run the project in 2 pilot areas namely North Belfast and Omagh District Council area. The Advice NI team in North Belfast was made up of representatives from the North Belfast Advice Partnership, namely: Ardoyne Association; Antrim Road CAB; Ballysillan Community Forum;

Lower North Belfast Community Council Advice Service; Ligoniel Improvement Association; Tar Isteach and The Vine Centre. The Advice NI team in Omagh District Council area was made up of representatives from Omagh Independent Advice Services.

Further information on the Advice NI teams can be found in Appendix 1.

A Senior Management Group was formed to provide strategic direction for the Advice NI project and to 'champion' the work of the project in terms of supporting the implementation of any recommendations that may subsequently arise. The group was made up of representatives from: Advice NI (Bob Stronge); Belfast City Council (John Nelson); Northern Ireland Housing Executive (Ian McCrickard); Northern Ireland Legal Services Commission (Noleen Smylie); Omagh District Council (Alison McCullagh); Social Security Agency (Geraldine Brereton); Vanguard Consulting (Ireland) (Ltd) (John Little); Voluntary and Community Unit, DSD (Janine Fullerton); Business Consultancy Services (Mark Colligan); and the Strategic Investment Board (Brett Hannam, Chair). The remit of the group can be viewed in Appendix 4.

An analysis of the workload of the advice sector demonstrated that social security and housing enquiries consistently accounted for the vast majority of demand for advice services. An approach was proposed which sought to engage advisers, SSA staff and NIHE staff on a partnership basis on all aspects of the systems thinking project. However unfortunately due to time and resource constraints, it was not possible to secure SSA and NIHE involvement in all aspects of the project. Furthermore time constraints meant that the project was only able to complete 3 of the 6 steps of the Vanguard Model for 'check' and was unable to move to 'redesign' and 'roll in'.

The Advice NI systems thinking team embarked on the exercise by closely following the systems thinking methodology with the support of Vanguard. A number of training sessions were held with staff and ongoing support was provided by Vanguard.

Understanding Demand

The project set out to complete the 6 steps of the Vanguard Model for 'check' which aims to create a complete understanding of the demands hitting the service; essentially examining what is currently happening and why.

1. Purpose

Advice NI advisers spent time agreeing the purpose of their advice service from the client's viewpoint. The purpose of advice services as agreed by the Advice NI team was:

"To accurately advise and assist people to resolve requests in a timely manner"

2. Demand Analysis

Demand analysis was conducted between 15th February and 19th March by advice agency staff in the pilot areas.

Advice NI advisers set out to record (verbatim), all client interactions with their advice service - every client enquiry was recorded in the client's own words. This was conducted at all outlets where people accessed the advice service including in the centre, over the telephone and at outreach venues. This approach compelled advisers

The project set out to complete the 6 steps of the Vanguard Model for 'check' which aims to create a complete understanding of the demands hitting the service; essentially examining what is currently happening and why.

to study demand in the client's own terms; to study why they made contact, what they wanted and what mattered to them.

An example verbatim recording sheet is set out below, providing two examples of verbatim demand:

Verbatim Conversation	Value/Failure (Advice sector)	Where Reported	How Reported	Value/Failure (Other agency)
Hello, can you help me, I have received a letter from ESA and I don't understand what it means?	Value	Advice Centre	Telephone	Failure
Can you tell me if I might be entitled to DLA?	Value	Outreach	Face to face	N/A

The verbatim recording of client contacts continued until no new types of issues were presented by clients. Verbatim recorded enquiries were then collated into 'consolidated demand analysis' sheets. Advisers were able to 'tick' the nature of the enquiry from the list of issues collated at the verbatim stage. Part of a consolidated demand analysis sheet is set out below:

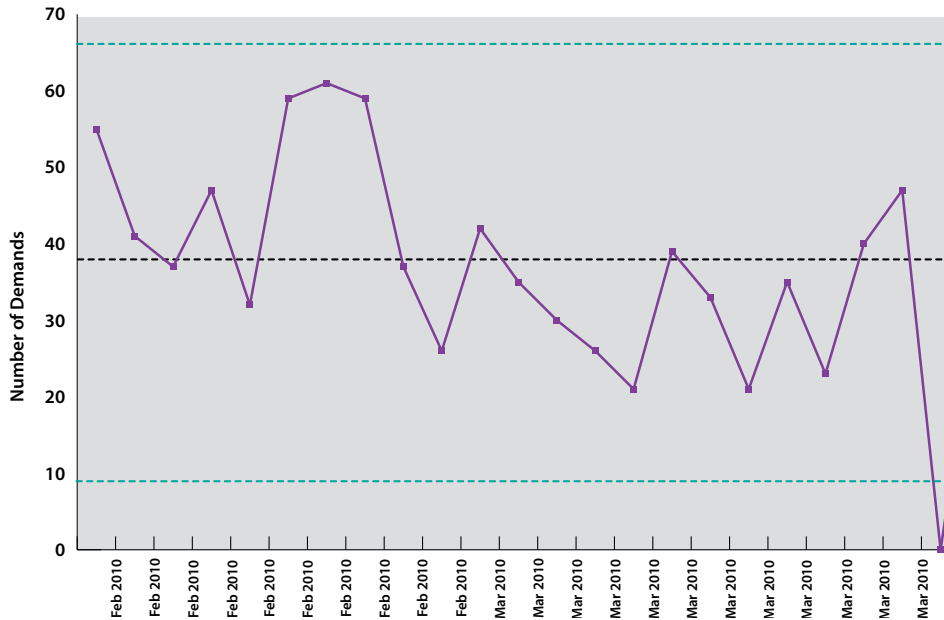
Employment and Support Allowance	Mon	Tues	Wed	Thurs	Fri
Can you tell me if I might be entitled to ESA?	10 enquiries	...			
I do not understand this letter from ESA	12 enquiries	...			
I have not received any money from ESA	5 enquiries	...			
ESA have lost my medical evidence	3 enquiries	...			
I have been turned down for ESA and want to appeal	11 enquiries	...			
:	:	...			
:	:	...			

The detail and precision of Advice NI's work in establishing the key types of demand faced by advice services allowed an analysis of the effectiveness of the response to this demand. Demand was categorised according to type, for example benefits, housing or debt and it was determined if it was 'value' demand – work that the advice agencies existed for and wanted to be doing; or 'failure', demand that was generated by inadequacies with service provision further back in the process, originating within the advice sector or within SSA or NIHE.

The demand analysis work enabled the Advice NI team to identify the most frequent, high volume demands being placed upon advisers by clients. Figure 1 illustrates the cumulative number of enquiries related to the 4 main categories (DLA, ESA, repairs and Housing Benefit). Charts demonstrating enquiry numbers specific to each of the 4 main category types can be found in Appendix 2.

Figure 1

Top 4 Daily Demands form 15th February to 19th March 2010 in the Pilot Areas



Analysis of the demand analysis data makes for interesting reading:

- During the 5 week demand analysis period, a total of 907 demands were recorded in relation to the 4 categories in the Pilot Areas.
- As noted above, constraints in relation to the project meant that demand analysis was limited to Disability Living Allowance, Employment & Support Allowance, housing repairs and Housing Benefit.
- There were an average of 38 demands hitting the advice system daily specifically in relation to the 4 main categories across the pilot areas.
- Demand analysis of these enquiries highlighted that 80% were categorised as 'failure' demand originating within the systems of the SSA and the NIHE (for example the client needed help with forms, was concerned about delays in getting a decision or did not understand the content of a letter). Isolated advice sector 'failures' were also identified (for example tribunal referrals from advice agencies outside the pilot areas and isolated failure to meet demand at outreach venues due to the volume of demand and funding limitations).
- It was found that 20% of enquires were categorised as 'value' work and not related to any deficiencies in advice or other systems (for example the client wanted to know if they might be entitled to help).

The following case studies serve to demonstrate the potential impact of issues arising for clients within SSA and NIHE systems, including most importantly the impact on the quality of life of the service users.

Case study

A 39 year old woman with severe mental health problems under the care of the Community Mental Health Team was referred to the advice agency after making an unsuccessful claim for DLA. The adviser requested a 'reconsideration' and also a copy of the evidence used by the decision maker. A 'no change' decision was made before the adviser had the opportunity to view the medical evidence. The next stage in the process involved appealing the decision to a tribunal. Having viewed the medical evidence, the adviser was concerned about the standard of the decision making. A social worker also commented on the adverse affect the situation was having on the client's health. The adviser raised the issue with senior staff within DLA, the case was looked at again and the client was subsequently awarded DLA Low Rate Mobility Component and Middle Rate Care Component.

Case study

A 58 year old man approached the advice agency in respect of a problem attaining arrears owed to him by Employment & Support Allowance. He had received multiple letters stating that he was owed arrears of approximately £900. Despite contacting ESA by telephone and in writing over an eight month period, the matter remained outstanding and caused the client considerable distress. He was relying on the arrears to repay money he had borrowed to cover his living expenses during the delay in getting the ESA into payment. The adviser contacted ESA Customer Services regarding the case and client received all outstanding arrears in the week prior to Christmas.

Case study

A client approached the advice agency after he was allocated a bungalow in September 2009 on the grounds of ill health. He had just come out of hospital after major heart surgery and was being treated for multiple health complaints. The bungalow needed repair work and heating installed; but the client agreed to move in before the work commenced as NIHE assured him that the repairs and heating would be completed within a few weeks. This suited NIHE as otherwise the bungalow may have been vandalised leading to more repairs and higher improvement costs. Unfortunately this did not happen and the client had to spend winter in the bungalow with no heating system and depending on electric heaters causing financial hardship for the client. His health also suffered during this period and he had to attend his GP due to problems related in the main to the general state of the property. Finally in March 2010 after numerous telephone calls and site meetings, a heating system was installed.

Case study

Before the client accepted a private tenancy she provided her income details to the Housing Executive who calculated her entitlement to Housing Benefit. Based on the information given to her, the client accepted the tenancy as she believed she could afford the shortfall of £12 per week. A Housing Benefit application was made immediately and all relevant information was provided. Four months later the client's Housing Benefit application had not yet been processed. This caused considerable distress for the client and her tenancy was seriously threatened due to the delays in processing the application. She was later informed that her application form had been lost and she was asked to complete another form. Five months from initial application the claim was processed, at which time the client was advised that her entitlement was significantly less than she had previously been told. As a result a rent arrear of £2000 had accrued.

The adviser highlighted Regulation 85 (2) of the Housing Benefit Regulations (NI) (2006) which states that once an authority has received a claim along with all the information and evidence it reasonably requires from the claimant, it must reach a decision on the claim within 14 days or as soon as reasonably practicable. This was not complied with.

Regulation 90 (1) of the above mentioned regulations states that a payment on account must be paid within 14 days if the authority is unable to process the application due to no fault of the applicant. Provided the claimant has done all that is required, payments on account are not discretionary. The client however did not receive such a payment, nor was she offered one. As a result of the adviser intervention, the Housing Executive agreed to award a discretionary housing payment and backdate to initial application.

3. Capability

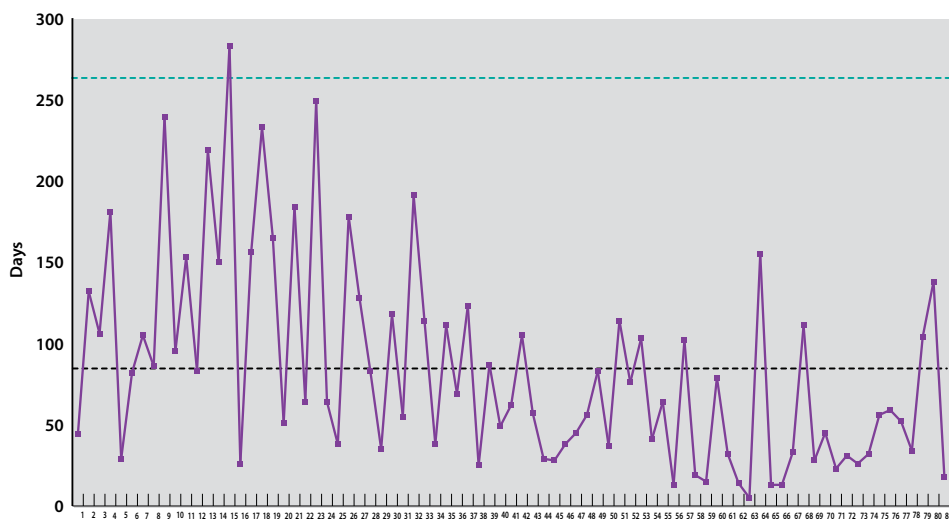
The third step within the Vanguard Model for 'check' is to test the capability of service providers to respond to demand, in other words how well does the system respond in terms that matter to the customer. The approach used to assess capability is to measure 'end to end' times, how long it takes a case to be resolved from the customer's perspective.

After some discussion, the engagement of NIHE and SSA was secured in order to measure the effectiveness of their systems in respect of the highest volumes of social security and housing enquiries dealt with by advice agencies, namely Disability Living Allowance, Employment & Support Allowance, housing repairs and Housing Benefit.

The cases used to establish 'capability' were identified by the Advice NI team and these cases were 'tracked' through the NIHE and SSA systems – from first point of contact by the client up to the point where the case was finally resolved.

Figure 2 (Disability Living Allowance)

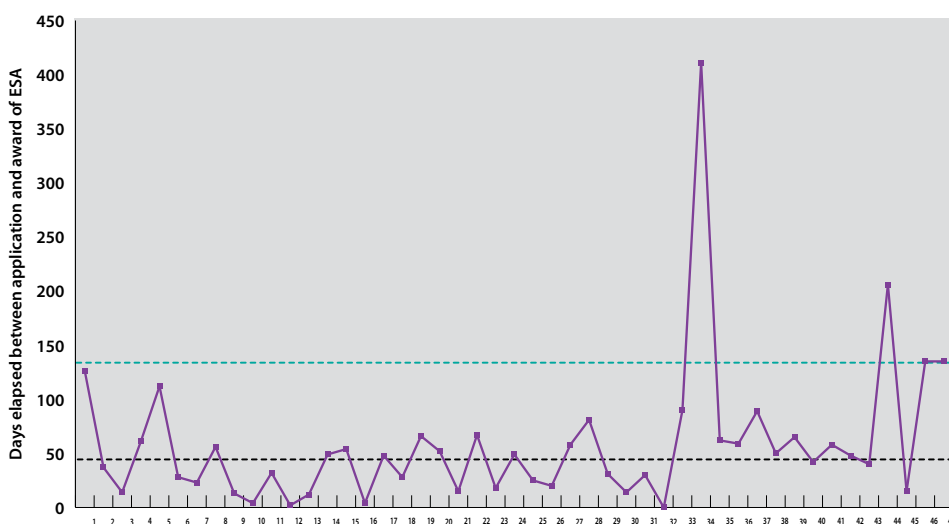
E2E elapsed time 1st contact DLA to conclusion DLA



DLA: 81 cases were selected; the average end-to-end time taken to conclude a case was found to be 84 days; and it was seen that it could take as few as 5 days or up to 257 days to conclude a case from the date of initial contact.

Figure 3 (Employment and Support Allowance)

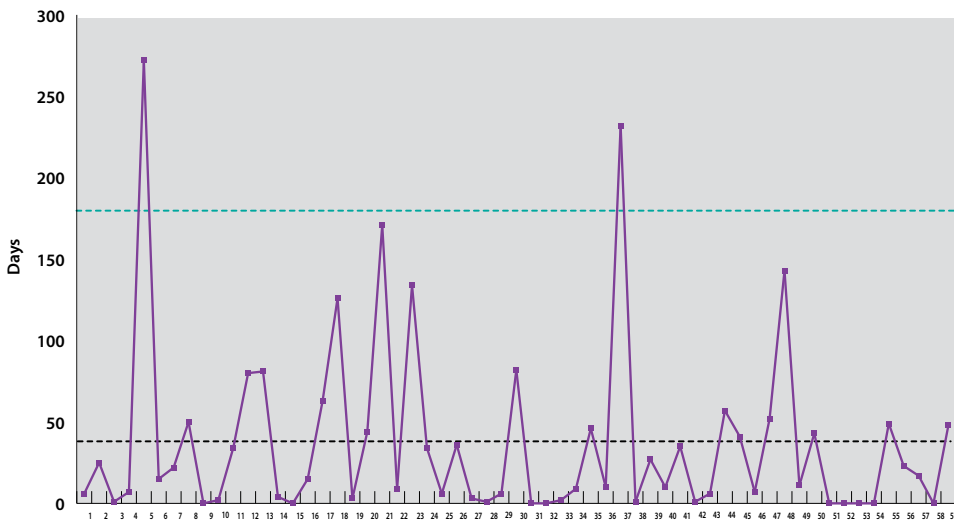
E2E elapsed time 1st contact ESA to conclusion ESA



ESA: 47 cases were selected; the average end-to-end time taken to conclude a case was found to be 47 days; and it was seen that it could take as few as 1 day or up to 134 days to conclude a case from the date of initial contact.

Figure 4 (NIHE Repairs)

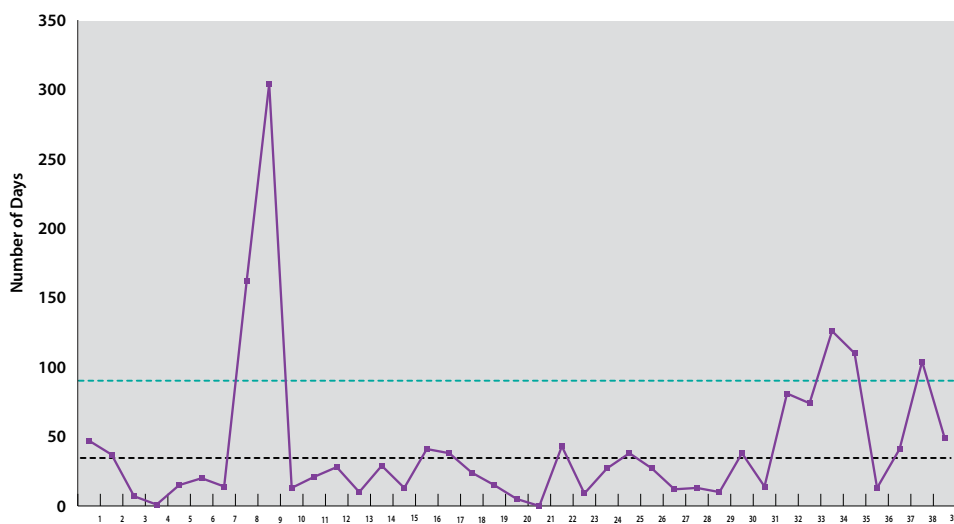
E2E elapsed time 1st contact NIHE repairs to conclusion with NIHE



NIHE Repairs: 59 cases were selected; the average end-to-end time taken to conclude a case was found to be 37 days and it was seen that it could take as few as 1 day or up to 180 days to conclude a case from the date of initial contact.

Figure 5 (Housing Benefit)

E2E elapsed time 1st contact HB to conclusion with HB



Housing Benefit: 39 cases were selected; the average end-to-end time taken to conclude a case was found to be 33 days and it was seen that it could take as few as 1 day or up to 130 days to conclude a case from the date of initial contact.

Some analysis was undertaken as to the capability of the advice sector systems in the pilot areas. The advice service tended to offer a 'drop-in' service for initial enquiries with an appointments system if subsequent visits on the same matter were necessary. 'Drop-in' clients used a waiting area and were seen by the next available adviser. This adviser tended to handle the whole enquiry through to conclusion, drawing on supervisory assistance or specialist expertise as necessary, over the course of several contacts with the client if required. The case may be taken over by another adviser for example in tribunal representation or debt related cases, where the case was especially complex, time-consuming or specialised. Where a client's enquiry had several components or they presented with a cluster of problems the adviser usually dealt with all of them subject to the exceptions above.

The process maps in Appendix 3 illustrate the 'flow' of work through the advice service from an adviser perspective in relation to the four most frequent, high volume demands being placed upon advisers by clients. In the absence of being able to check the 'flows' within the various NIHE and SSA departments, the comments made reflect the perceptions of advisers and clients regarding the process and the time taken to process claims and requests for help.

Unfinished Business

Due to delays in agreeing levels of engagement with key statutory stakeholders and because of time constraints, the project was only able to complete 3 of the 6 steps of the Vanguard Model for 'check'. The following stages of 'check' remain incomplete:

Flow

The study of 'flow' involves following pieces of work through the system. This would allow a greater understanding of the value work being performed (that which delivers the purpose) and waste (everything else). 'Flow' would include how the work flows into and through the advice sector, as well as how it flows into and through the SSA and NIHE.

System Conditions

The study of 'system conditions' are those man-made policies, procedures, key performance indicators, information technology, contractual obligations, legislative requirements, targets etc that make the system behave the way it does and create waste within the 'flow'.

Management Thinking

The study of 'management thinking' involves exploring the underlying assumptions that govern the way senior managers think about the management and design of work. **And to ask the question "Are you willing to contemplate the possibility of doing things differently?"**

On completion of the 6 steps of the Vanguard Model for 'check', the next stage would be to 'redesign' a better way of working to improve performance against the purpose. The third stage would be to 'roll in' a new way of working in a methodical way; returning to 'check' as a means of constant re-evaluation.

Conclusions & Recommendations

Conclusions

On the evidence of findings during the course of the project we conclude that:

- (1) Social security and housing enquiries accounted for the majority of demands hitting advice services in the pilot areas;
- (2) Due to restrictions in terms of time and resources it was decided to focus attention on the most common social security and housing enquiries namely DLA, ESA, repairs and Housing Benefit;
- (3) During the 5 week demand analysis period, a total of 907 demands in relation to the 4 categories were recorded by advice agencies in the pilot areas;
- (4) Demand analysis of these enquiries highlighted that 80% were categorised as 'failure' demand: work that should not need doing, caused by failings 'further back' in the systems of the SSA and NIHE;
- (5) It was found that 20% of enquires were categorised as 'value' work (for example the client wanted to know if they might be entitled to help);
- (6) The advice organisations in the project were found to have developed methods of handling enquiries that were client-focussed and resource efficient.

Restrictions in terms of time and resources meant that the project was only able to complete 3 of the 6 steps of the Vanguard Model for 'check' and was unable to move on to 'redesign' for a better way of working to improve performance and then 'roll in' new ways of working. However the findings suggest that there is merit in completing the project, with a view to addressing the system conditions which are generating demand for frontline staff in advice agencies and for the SSA and NIHE.

Recommendations

1. The SSA, NIHE and indeed all public sector frontline service providers consider undertaking demand analysis work, thereby accessing and utilising client information in terms of the nature of demand hitting their frontline services;
2. The Advice NI systems thinking project be enabled to continue and complete the remaining stages of 'check', 'redesign' and 'roll in' with a view to establishing an evidential basis for the widespread adoption of a systems thinking approach to service delivery in Northern Ireland;
3. A larger systems thinking pilot be initiated in partnership with the advice sector, SSA, NIHE and/or a housing association. It is envisaged that such a collaborative approach would provide a well balanced, evidence based perspective on systems thinking particularly in terms of improving service to clients and staff morale, whilst ensuring resources are deployed efficiently;
4. Advice agencies should consider adopting a systems thinking approach with a view to providing the best possible service to clients;
5. Funders of advice agencies should adopt a systems thinking approach to contract conditions and requirements. This should include moving from an emphasis on delivering advice 'transactions' to learning from demand, identifying and removing any inadequacies in the advice system and improving services for clients.

Appendix 1

North Belfast Advice Partnership

The North Belfast Advice Partnership is made up of Ardoyne Association; Antrim Road CAB; Ballysillan Community Forum; Lower North Belfast Community Council Advice Service; Ligoniel Improvement Association; Tar Isteach and The Vine Centre. The partnership provides high quality advice across North Belfast on a range of issues:

Statistics for the Partnership April 2009- March 2010

Total number of enquiries	28,720
Total number people enquiring	19,366
Number of benefit enquiries	15977
Number of consumer enquiries	350
Number of housing enquiries	1516
Number of health enquiries	138
Number of employment enquiries	713
Number of money/debt enquiries	1131
Number of other enquiries	8425
Number of appeals	470
Total amount of benefit entitlement successfully claimed	£5,019,451.00
Total money of debt negotiated	£2,388,213.15

NBAP ensure advice services are accessible to everyone in the community by offering centre based appointments, drop in clinics, home visits, telephone advice, and each partner member has had the loop system installed. NBAP delivers advice in its seven main centres and 15 outreach/drop-in clinics across North Belfast.

Over the past year NBAP has delivered money advice programmes to various community and voluntary groups including: North Belfast Partnership Board PEP; Ardoyne's Women Group; Boy's Model Active Parents Group; Ballysillan Community Forum – Senior Citizens Group; Flax Foyer Supported Accommodation – Young People's Group; Woodvale Community Centre – Mother and Toddler Group; Women's Tech Groups; Ashton Job Club – Women's Programme and Shankill Christian Fellowship.

Benefit and information sessions/events were also provided for the Ashton Centre Job Fair at NICVA; BCC Pensioner Poverty at Waterfront Hall; NBAP Benefit Uptake Event at St Kevin's Hall; North Belfast Partnership Board Job Fair; Duncairn Job Club; Glenbank Community Centre; Duncairn Community Centre; Shankill Leisure Centre; Mount Vernon Youth Club Information event and a NI Hospice Carers Group event.

Partners meet on a monthly basis to discuss staffing, resources, programmes and finances, whilst advisors meet on a monthly basis to discuss ongoing concerns and problems with clients, share knowledge and experiences with each other. NBAP also invite guest speakers from other organisations to meet with advisors to build partnerships and to discuss how these organisations and NBAP can work together

to best meet the needs of their clients. Meetings this year included Medical Support Services, Smartmove, North City Training, Belfast Carers Association, DEL Pathways representatives, NEA and ESA representatives to highlight issues and concerns.

This year NBAP has played a key role the system's thinking pilot organised by Advice NI and funded through DSD. All partners played a key role in identifying demands on NBAP services and over a five week period gathered data on all demands placed upon the advice service; identifying failures within the system and how these contribute to the workload within NBAP advice services.

Omagh Independent Advice Services

Omagh Independent Advice Services is a charitable organisation, providing a free, confidential, independent advice and representational service to the Omagh District Council area on issues such as social security, employment, housing, consumer and other welfare rights matters. The Centre also offers a dedicated, Money Advice Service on the following issues: mortgage arrears/repossessions; loan arrears; default notices; credit card/store card arrears; HP agreements; Student Loans; IVAs; bankruptcy and the centre also provides free representation at Bankruptcy/ Insolvency Hearings.

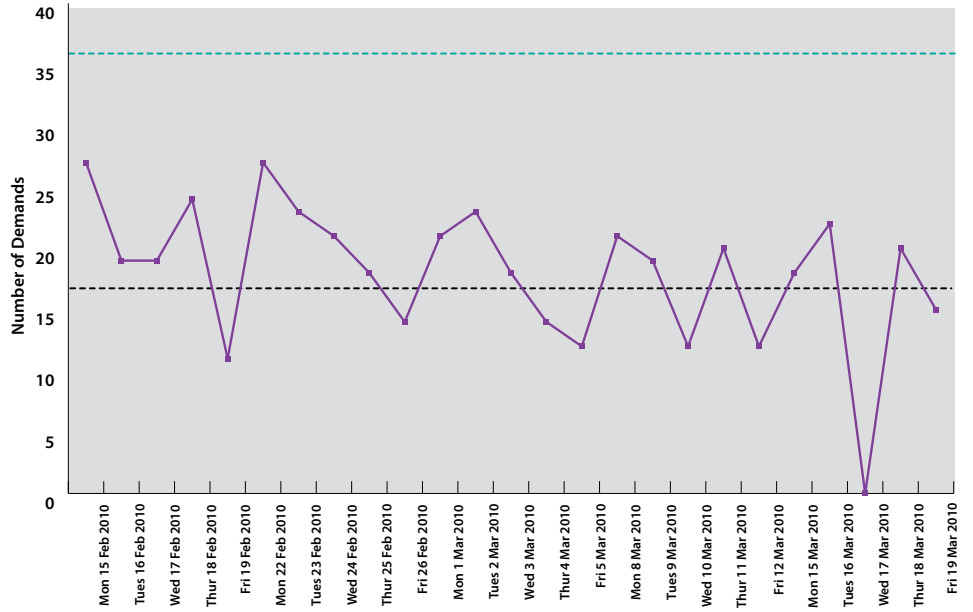
OIAS are the only advice provider within the district council area, and service an urban and rural population of nearly 50,000 people.

Statistics for OIAS April 2009- March 2010

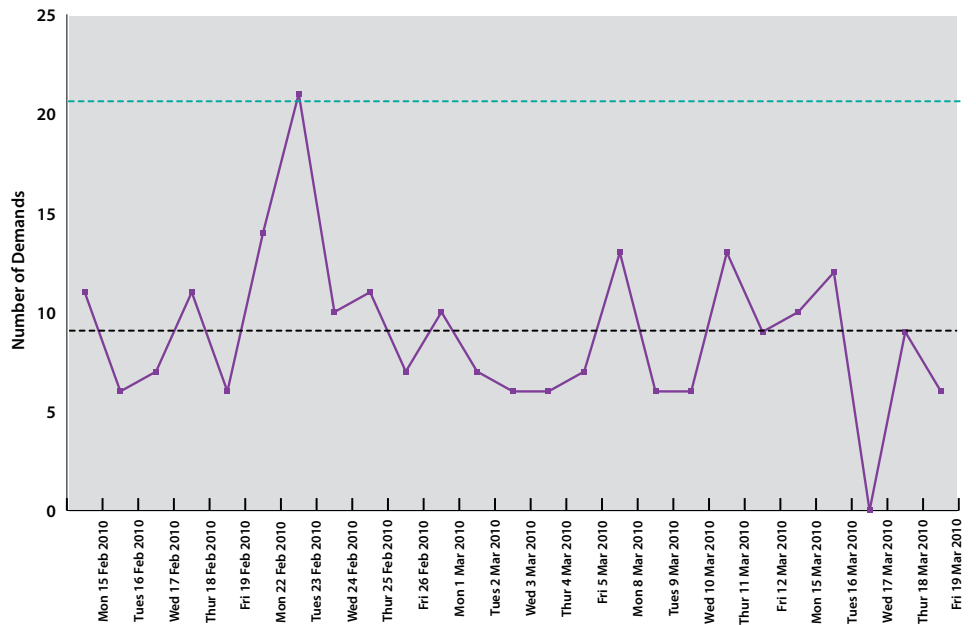
Total number of enquiries	7,295
Total number people enquiring	5,625
Number of benefit enquiries	4,154
Number of consumer enquiries	23
Number of housing enquiries	179
Number of employment enquiries	509
Number of money/debt enquiries	2,174
Number of other enquiries	51
Number of appeals	59
Total amount of benefit entitlement successfully claimed	£1,017,812.70
Total money of debt negotiated	£2,931,034.70

Appendix 2 Demand Analysis Charts

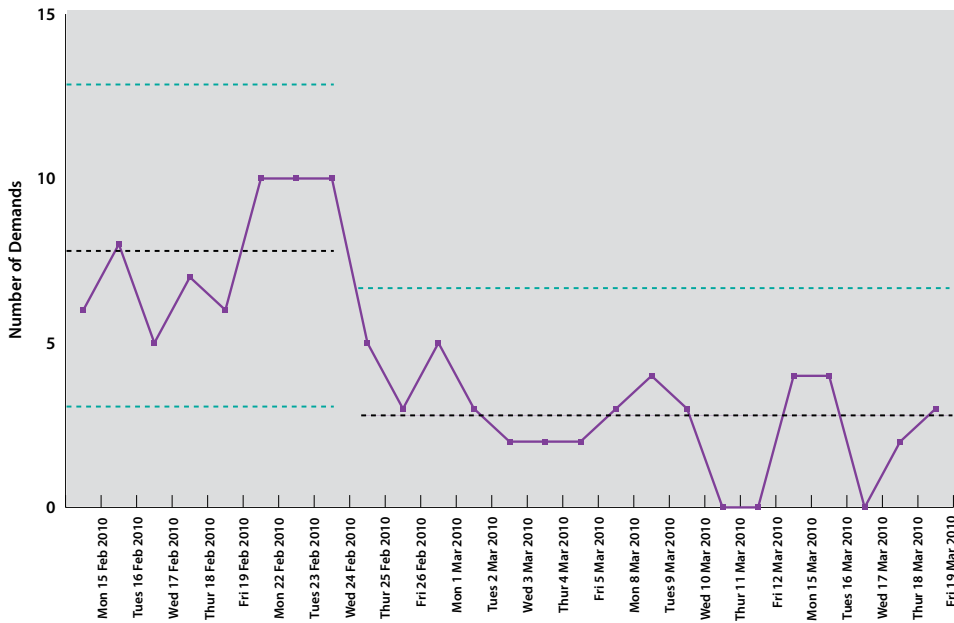
DLA daily demands from 15th February to 19th March 2010 in the pilot areas



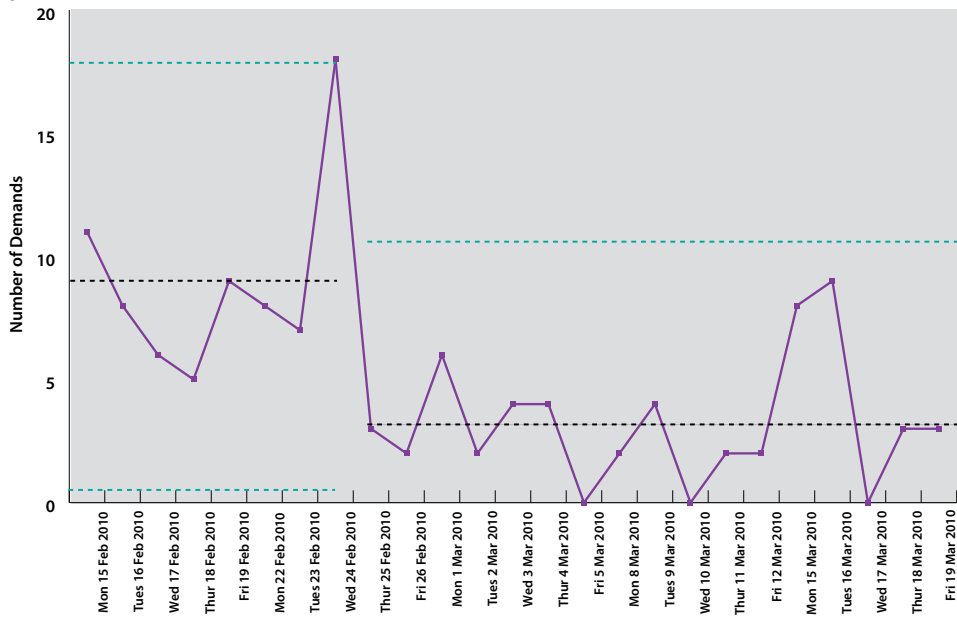
ESA daily demands from 15th February to 19th March 2010 in the pilot areas



Housing repairs daily demands from 15th February to 19th March 2010 in the pilot areas

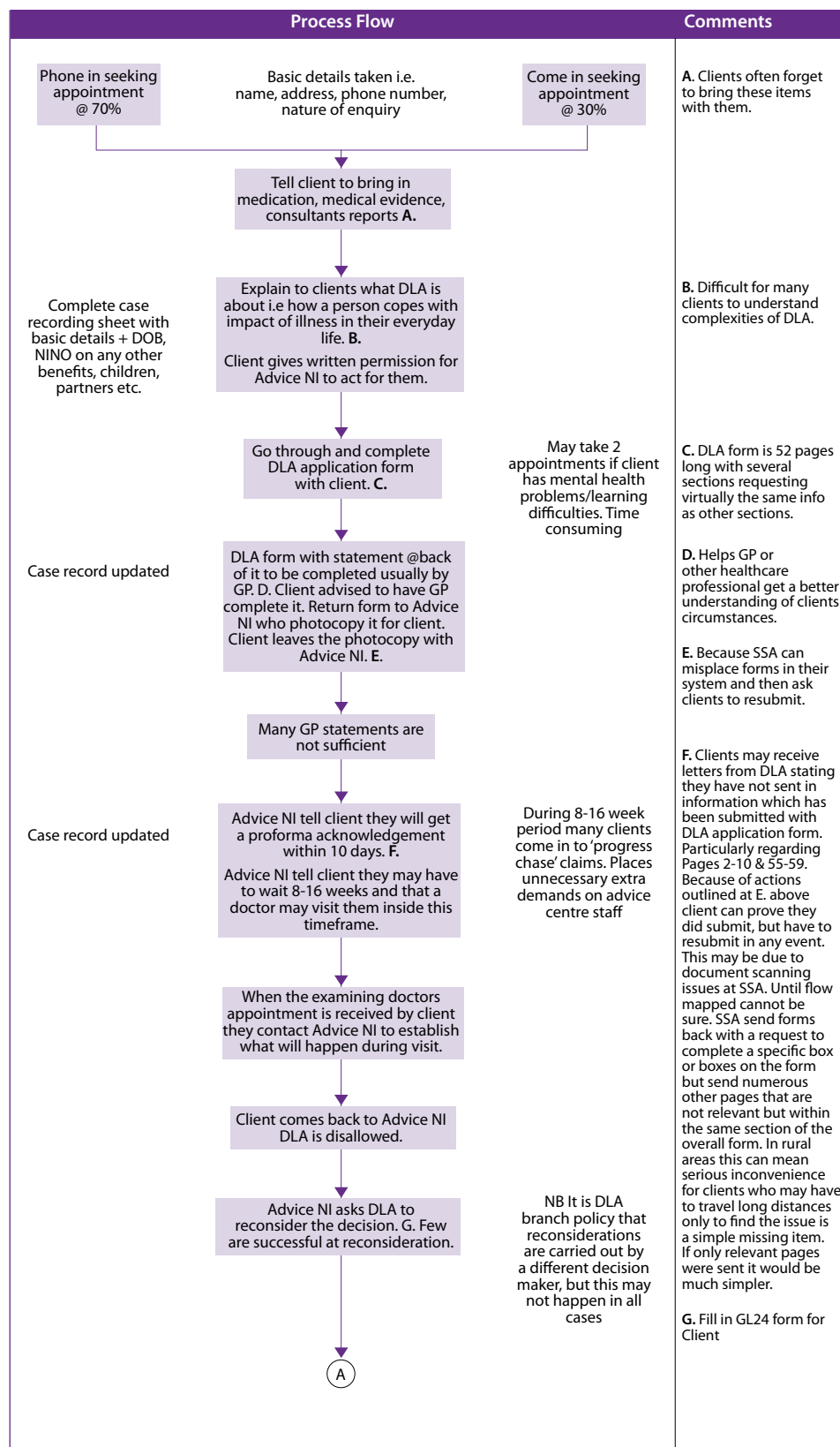


Housing Benefit daily demands from 15th February to 19th March 2010 in the pilot areas

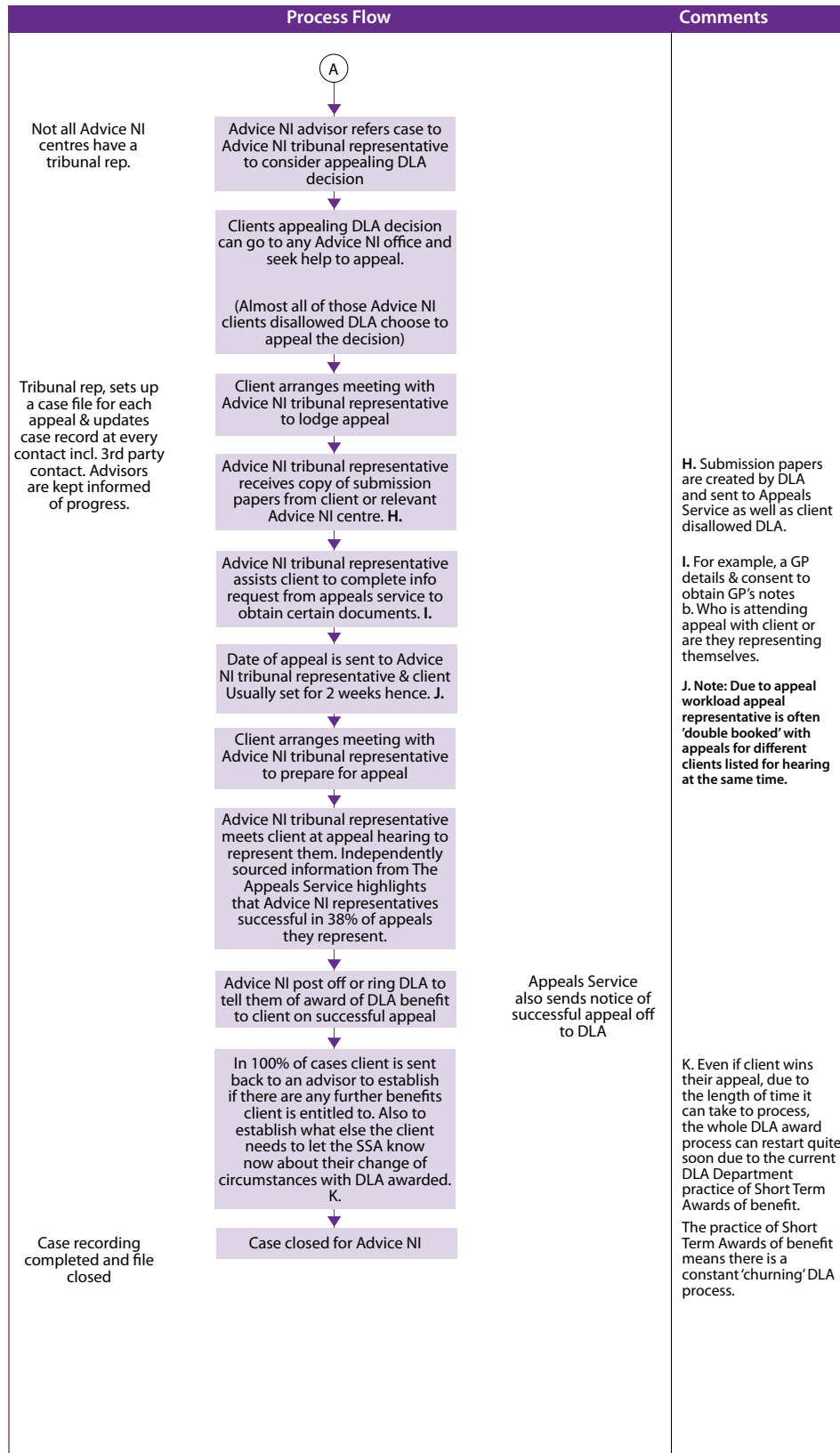


Appendix 3 (i) DLA Customer Journey: adviser perspective

Disability Living Allowance

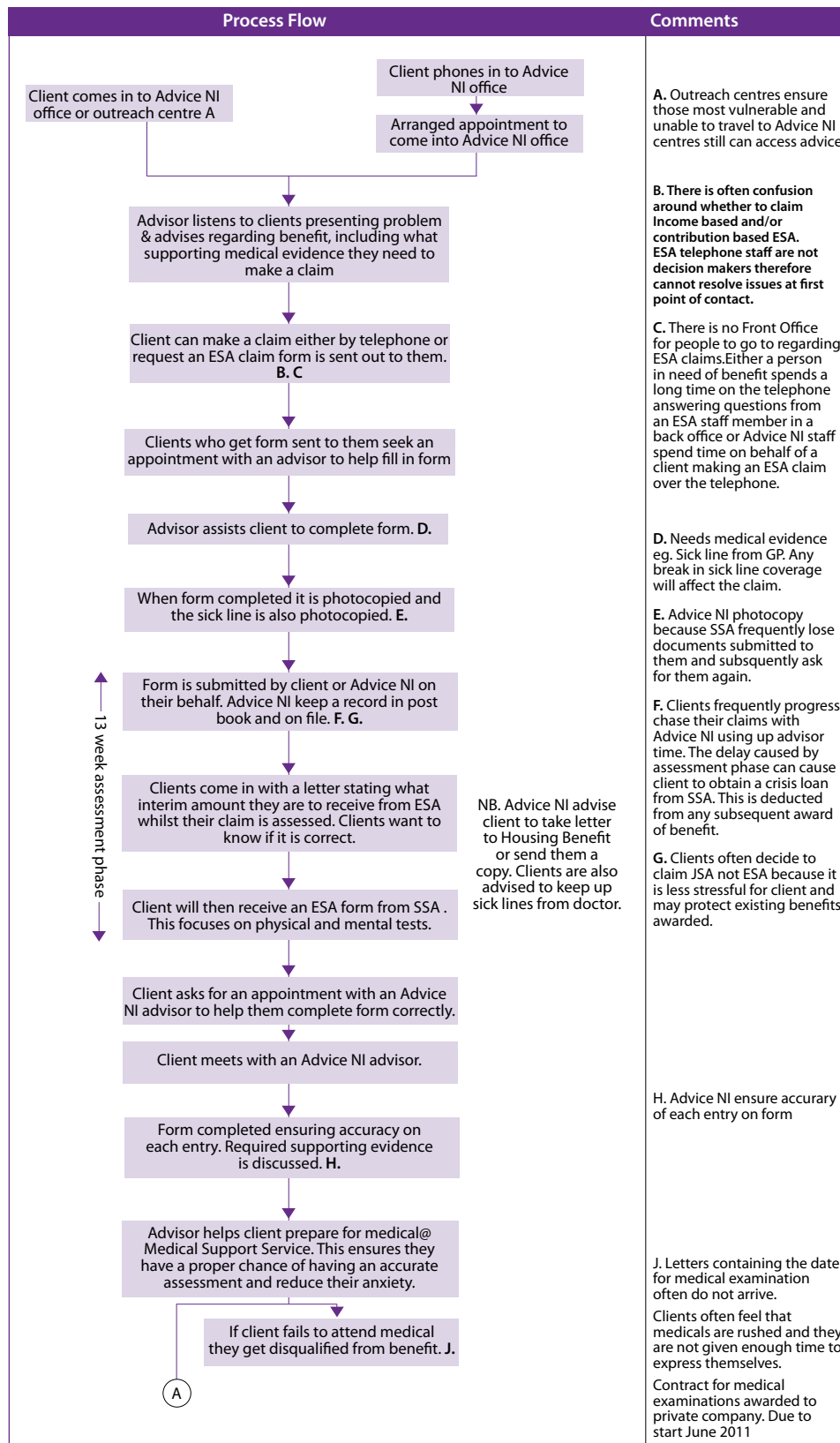


Disability Living Allowance

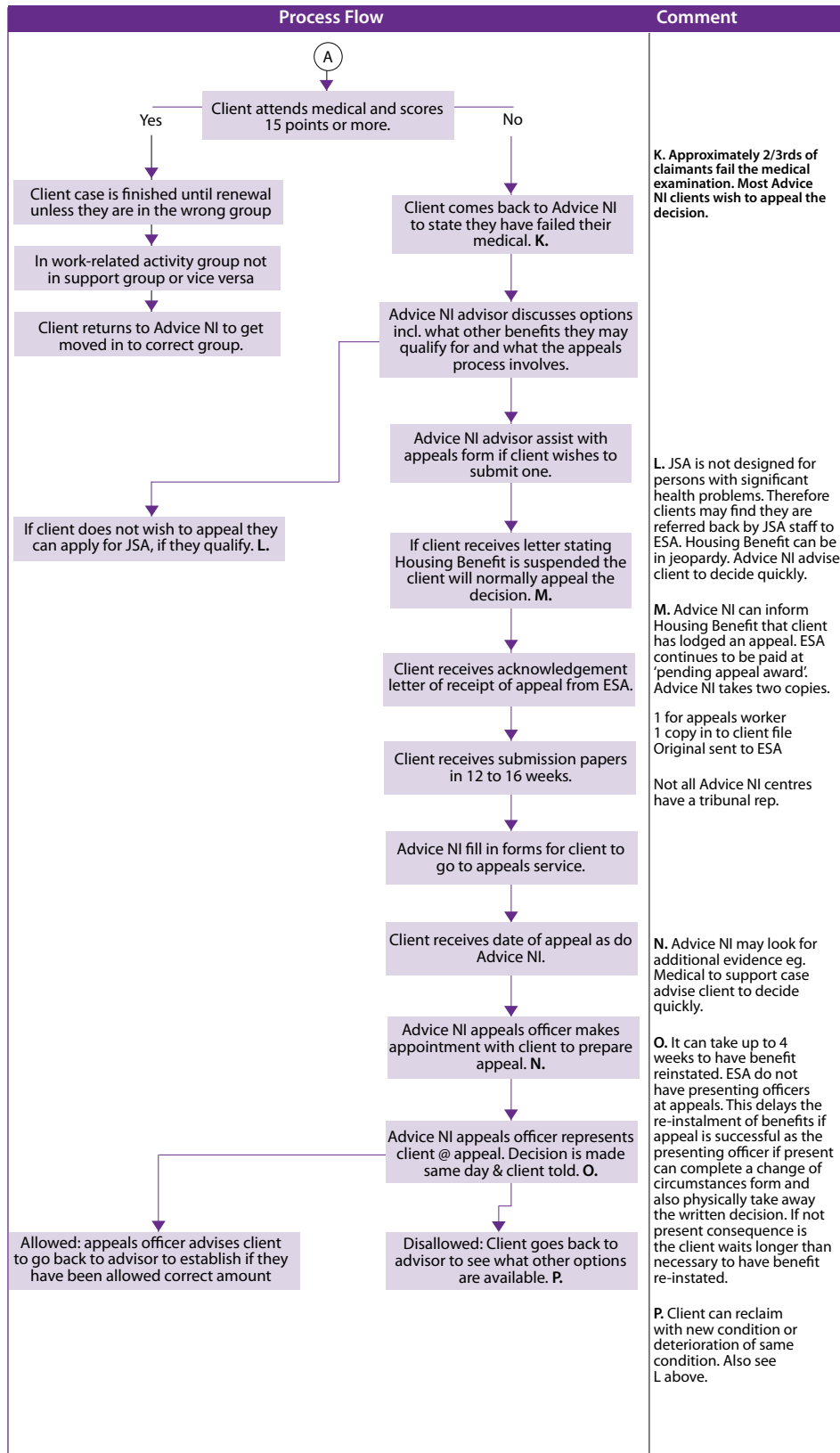


Appendix 3 (ii) ESA Customer Journey: adviser perspective

Employment and Support Allowance



Employment and Support Allowance



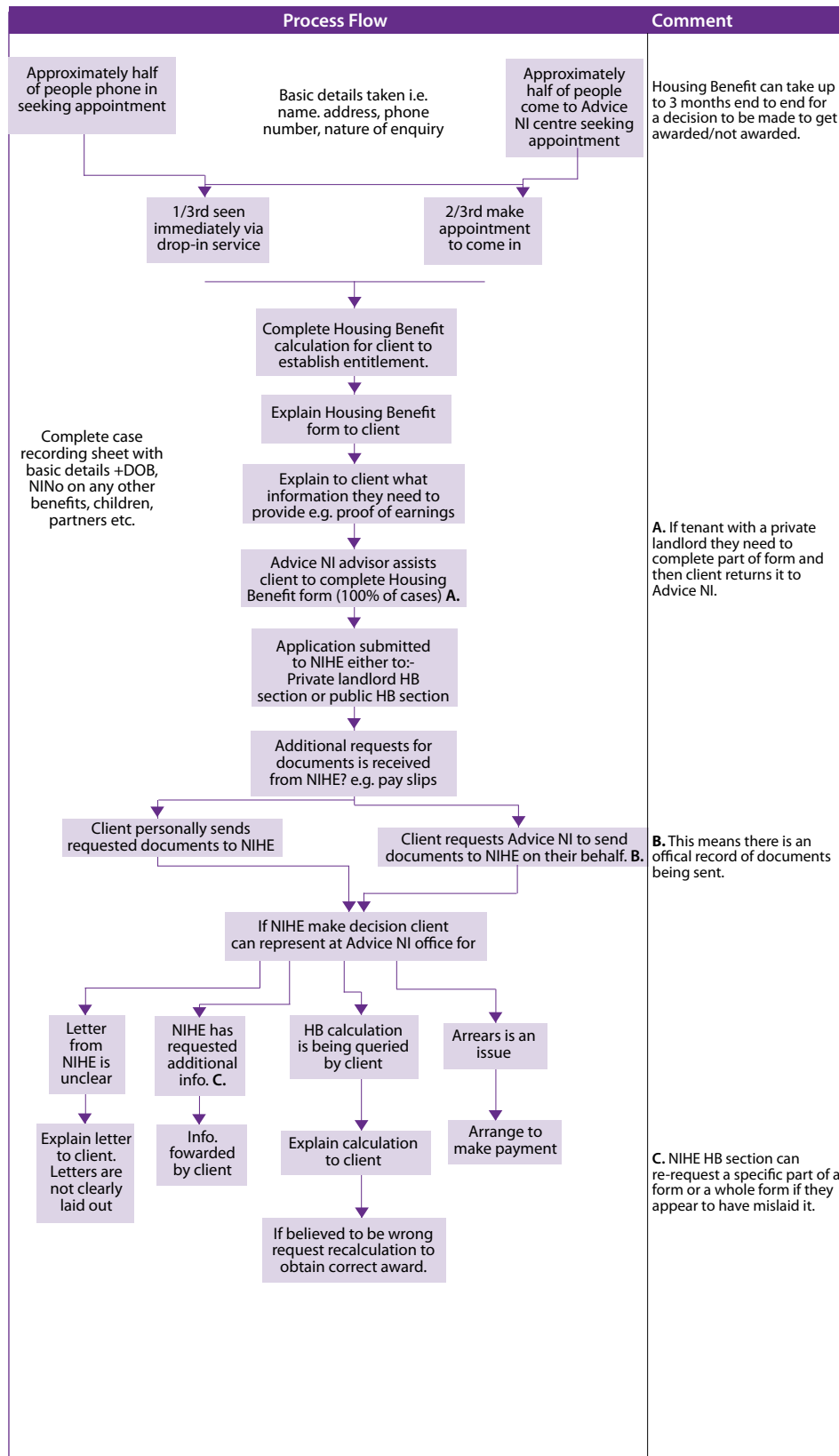
Appendix 3 (iii) NIHE Repairs Customer Journey: adviser perspective

Housing Repairs

Process Flow	Comment
<pre> graph TD A[Resident reports repair direct through Advice NI. A.] --> B{If repair is for an NIHE property?} B -- Yes --> C[NIHE give date and AM or PM appointment to have repair carried out] B -- No --> D[If it is for a private landlord repair landlord is contacted by telephone to arrange repair.] C --> E[If work does not get done resident represents to Advice NI to progress chase the repair. B.] D --> E </pre>	<p>A. They will often have previously reported it and got no effective response to the repair request hence going to Advice NI. Experience shows that when an organisation progress chases a call there is a more effective response.</p> <p>This drives more demand into Advice NI offices because residents learn that the most effective way to get repairs done is to go straight to Advice NI.</p> <p>B. This is quite a common task for Advice NI offices to have to undertake with NIHE and their repairs contractors. Advice NI usually escalated the problem to a more senior manager as experience shows that is more effective at getting a resolution to the repair problem.</p>

Appendix 3 (iv) HB Customer Journey: adviser perspective

Housing Benefit



Appendix 4

Senior Management Group for the Advice NI Systems Thinking project

Terms of Reference

PURPOSE

To provide a senior consultative forum that can effectively provide oversight for the implementation of the systems thinking pilots; and be 'champions' in terms of supporting the implementation of recommendations of the pilots.

MEMBERSHIP

Membership of the Senior Management Group is as follows:

Advice NI (Bob Stronge)
Belfast City Council (John Nelson)
Business Consultancy Services (Mark Colligan)
Northern Ireland Housing Executive (Ian McCrickard/Colin Hull);
Northern Ireland Legal Services Commission (Noleen Smylie);
Omagh District Council (Alison McCullagh)
Social Security representative (Geraldine Brereton);
Vanguard Consulting (Ireland) (Ltd) (John Little)
Voluntary and Community Unit (DSD) Janine Fullerton/Karen-Jayne Wright);
Brett Hannam (Chair)
Minute taker (Kevin Higgins)

No quorum of members must be present before a meeting can proceed.

Internal or external persons may be invited to attend the meetings at the request of the Chairperson on behalf of the group to provide advice and assistance where necessary.

Decisions will be made by consensus.

CHAIRPERSON

The Chairperson shall be elected by the group for the entirety of the project. Their responsibilities include:

- Guiding the meeting according to the agenda and time available;
- Ensuring all discussion items end with a decision, action or definite outcome; and
- Review and approve the draft minutes before distribution.

MINUTE TAKER SECRETARY

The role of the minute taker is to:

- Prepare agendas and issuing notices for meetings, and ensuring all necessary documents requiring discussion or comment are attached to the agenda;
- Distributing the agenda one week prior to the meeting;
- Taking notes of proceedings and preparing minutes of meeting;
- Distributing the minutes to all group members one week after the meeting;
- The minutes shall be checked by the chairperson and accepted by Group members as a true and accurate record at the commencement of the next meeting.

DURATION OF MEETINGS

Meetings shall be held as required by the project. Duration shall be agreed on commencement of each meeting.

FUNCTIONS

Functions of Senior Management Group include:

- To champion the systems thinking approach;
- To review the implementation of the systems thinking pilots;
- To explore, develop and experiment with changes to systems in both the advice sector and public sector that will improve services for clients;
- To assist in the resolution of any issues that may arise.



1 RUSHFIELD AVENUE
BELFAST
BT7 3FP

T: 028 9064 5919

F: 028 9049 2313

E: info@adviceni.net

W: www.adviceni.net

www.adviceni-learningonline.net

www.debtaction-ni.net

www.rights4seniors.net



INVESTORS
IN PEOPLE

| Silver