



# Towards Better Communities

## Towards Better Communities

Delivering Improved Community Services, Securing Democratic Participation

A white paper prepared by Vertex

In this paper, Vertex reviews current developments in the move to join up community service delivery at local level. The company looks at how the emergence of a new community based delivery model could facilitate change and secure sustainable improvements to the quality, value, diversity and accessibility of public services within a new, more democratically accountable structure.

### Executive Summary

Fundamental choices about the long-term development of locally focused public service delivery are currently being made. Central Government is engaging with the public, private and not-for-profit sectors to make sure that this consultation process is inclusive. The quality, value, diversity, accountability and accessibility of community-focused public service delivery are priority aims of Central Government. Within the broader context of democracy and participation, accessibility is also a vitally important consideration.

For communities, the prizes of successful reform will be considerable:

- Better quality, localised customer-centric services
- Increasing diversity of service provision
- Greater consistency of service quality improvements
- Simpler, immediate, 'hassle free' access
- Holistic, intelligent, proactive knowledge application
- Lower costs, with resources shifted from the back office to the front line
- Overall sustainable reduction of the tax burden for public service provision

In this discussion paper, Vertex makes the case for an imaginative solution for organising and enabling the scale of change that will be needed if these goals are to be achieved.

Vertex's model will play an important role in helping the wider public sector deliver the required step changes successfully within the broader framework of reinvigorated participation and engagement of the community at local level.

## The Challenge Ahead

In targeting annual efficiency gains of over £21 billion by March 2008 - and at the same time, setting the bar higher for the quality and diversity of services and increasing the levels of customer experience and citizen participation - the Government is laying down a challenge, not only to the public sector, but also to other stakeholders. This challenge centres on how best to assess, transform, and then deliver more effective localised services more cost effectively while simultaneously securing measurable improvements in satisfaction and active democratic participation.

Certainly, there has been a concerted and comprehensive programme to engage stakeholders at political, economic and societal level as Central Government oversees the debate about local government modernisation and efficiency reforms.

Within this process there is a clear acknowledgement that it is community members - the residents, their families, and businesses - that should be central to these conversations.

And, as the Chancellor of the Exchequer Gordon Brown has commented<sup>1</sup>, new forms of active civic engagement must also be found as part of the way forward for local democracy and long-term constitutional reform - while at the same time devolving budget responsibility from Whitehall to local level, alongside greater transparency about service performance.

## What Consumers Want

In understanding the need for such far-reaching, radical change, there is an implicit recognition of increasing levels of dissatisfaction amongst citizens towards overall standards of public service provision - and there is also the suspicion that this apathy has contributed to the diminished interest in local community participation.

The reality is that the private sector has, by and large, been far more successful at anticipating and surpassing consumer needs than their counterparts across the public sector. Simply, consumers believe that the best companies meet and frequently exceed their expectations across all measures of performance - but few rate their experience of public services nearly as positively. It could be argued that it is this widening gulf that has been largely responsible for the growing antipathy towards public service provision and, by extension, local participation.

The Local Government Association has implemented its own research on how councils could adopt best practice from the private sector in service delivery. This cited leading performers including Tesco and Virgin Holidays as businesses able to meet consumer expectations consistently and measurably - and organisations that offer a potential template for the public sector to embrace more closely. The LGA is using this research as it works with the Improvement and Development Agency (IDeA) and the National Consumer Association to develop its own contribution to the debate about the future of local authority performance and evaluation.

Set against the bigger picture of the overall Public Service Reform Agenda, the LGA's work in this direction reinforces the ODPM's prediction of ever rising consumer expectations, a greater demand for tailored services, a more diverse population seeking a greater diversity of need, a rise in sectors looking for support to deliver and, perhaps inevitably, more complex partnership arrangements and accountabilities.

In agreeing with this overall scenario, it is Vertex's contention that citizens are far more interested in the quality and diversity of the public services they consume (or would like to consume) than the organisation and delivery mechanism that provides them. It is therefore almost inevitable that consumers would support initiatives that focused on re-engineering 'invisible' back office processes if this led to the redirection of resources to invest in what they really wanted - whether that was innovative NHS treatments, better performing schools, or safer communities, to highlight just three examples on a typical wish list.

The challenge should therefore be phrased like this: how can finite resources be redirected so that the quality, consistency and diversity of real, tangible front line provision is improved - leading to a sustainable increase in citizen perceptions of public service, which then becomes the catalyst for improved participation and grassroots democracy?

## Progress Is Being Made

In Vertex's view, the good news is that significant progress towards meeting this challenge is already being made. Vertex believes that the second round of Local Area Agreements<sup>2</sup> will build on the foundations of the earlier pilot round-one agreements. In addressing the four key themes of Children and Young People, Safer and Stronger Communities, Healthier Communities and Older People, and Economic Development and Enterprise, a practical level of focus is given within each Local Area Agreement to enable a local authority and its complementary Local Strategic Partnership to engage with community based partners to enable change. The creation of Local Area Agreements therefore potentially places a council in a strong position to play a

Dissatisfaction in public services could be a factor in lower levels of local community participation

Consumers want best practice private sector service quality mirrored by the public sector

wider stewardship role in encouraging and overseeing meaningful connections between service providers as it strives to achieve the objectives of the agreement. These are vital connections, because they accelerate the process by which organisations will see the benefits of working together, the pooling of talents and resources, and the tackling of common issues.

In the future, councils will focus and coordinate as well as deliver

### Future Improvements

This emerging role has been recognised by authorities and points to a future in which councils focus on co-ordinating and enabling a broadening range of public services as well as their direct delivery responsibilities. By the same token, local authorities are also increasingly looking to achieve further improvements by continuing to transform their back office cost base so that resources can be re-allocated to front line services.

This change journey will almost certainly see more local authorities employing fewer but better skilled and higher remunerated people as they continue to reorganise their core internal processes. In doing so, resources can then be redirected to achieve continuing front line service improvements in the long term - giving, as we have already said, more of what consumers value and less of what they don't.

### A Pragmatic Approach To Planning

All the same, authorities, in their lead position within Local Strategic Partnerships are realistic about the practical challenges of alignment, integration, governance and financial and democratic accountability that must all work if reform is to be a sustainable success<sup>3</sup>. Talking about the need for change, focusing on the benefits that achievement will confer, and identifying the rules of engagement that are needed between participants are all prerequisites. But what is also required is both a methodology and a practical model that will drive further reform and ensure that these organisational challenges are successfully overcome.

A methodology and a practical delivery model are required if reform is to be a sustainable success

### A Proven Approach To Joining Up Service Delivery

Vertex has practical experience of implementing a proven model for public service transformation within local government that, crucially, focuses on customer service and customer expectation. This experience reflects Vertex's heritage as a customer management-led organisation. Our business is rooted in focusing on what we believe our partners' customers are looking for; we then build capability, incorporating enabling capacity, technology and consultancy to achieve the result. This means that we believe in the importance of placing the customer at the heart of the solution, which in this scenario is all about right-first-time resolution and joined up services. Vertex has worked, for example, with Westminster City Council across the last four years to put in place a strategy and structure for re-positioning the way the Council interacts with its customers and the way it get things done for them and with them.

The re-positioning of the city's customer interface saw Westminster and Vertex put in place a working model that can best be described as the 'T-shaped Council'.

The horizontal bar at the top of the T-shaped Council represents the integrated interface between the authority and its citizens, in which customers can contact the authority through their preferred access channel, such as by phone, post, email, or face-to-face, and have basic queries resolved at the first request. More complex needs can then be routed through to the specialist support units that sit within the authority's individual departments or those of its partners.



The vertical bar of the T represents the generic transactional and co-ordination processes that sit alongside front-line customer contact and keep the wheels of the authority turning. This improves the ability of the front office to deliver first time resolution and enables resources to be deployed cost effectively. It also frees up the back office professionals to focus on what they do best rather than routine administrative tasks.

## A Consistent Methodology

The establishment of a T-shaped Council follows a consistent methodology. As a first step, the interface between an authority and its citizens is renewed. In most models, this means that a council's customer management employees transfer to Vertex, who are then guided by specialists with customer-centric experience from across the public, private and regulated utilities markets.

Extending across and beyond this first step phase is the reform of the back office, in which the administrative functions of diverse and formerly disparate departments are de-silo'd. Common, crosscutting procedures are introduced, processes are reviewed, standards are set, then benchmarks are put in place to enable improvements in performance to be secured over time.

## Towards The T-shaped Community

In our view, the T-shaped Council is a proven template for securing the success of Central Government's vision of driving public service improvements at local level, achieving step-changes in value and cost efficiencies, and creating the appropriate conditions to secure enhanced levels of participation and democracy.

By extending the remit of the T-shaped model - to create, in effect, what we have termed a 'T-shaped Community' - many of the 'silo' service delivery and access challenges facing Local Area Agreement stakeholders have the potential to be overcome more quickly, more effectively, and more cost efficiently.

It is Vertex's contention that the existing principles and deployment methodologies of the current T-shaped Council model can be extended across the broader range of public services that are embraced by the Local Area Agreement model in particular. The approach can also support the common themes of the local government modernisation and efficiency process in general.

There is every reason to suppose that a far broader range of locally focused public services can be incorporated into the T-shaped Community model, with front-line advisory services provided through a joined-up customer interface. In addition, whilst individual delivery agencies would continue to deliver their own specialist services under the umbrella of the T, there is no reason why, in time, many of the less complex administrative processes, such as records management, that underpin these broader services cannot be integrated within the back office function - the vertical bar of the T.

We believe that the T-Shaped Community will help local areas secure the prizes of successful reform:

- A much wider range of better quality customer-centric services with better outcomes in relation to an area's priority issues
- An opportunity to help a broad network of agencies interface with Central Government and plan and budget for an increasing diversity of service provision
- Greater consistency of service quality improvements that will deliver higher levels of customer satisfaction across a broader range of services currently delivered within the T-shaped Council model
- A simpler, faster, interface for customers, providing access to information across a broader range of services
- A structure delivering responsive services to meet customer needs
- An intelligent service that is freed up to identify creative ways in which services can be joined up seamlessly to support the customer innovatively
- A redistribution of resources from the back office to the front line

## Hurdles To Overcome

Clearly, further work would need to be done to create a T-shaped Community in the way this approach suggests.

The first - and perhaps overriding - challenge would be to communicate with all stakeholders involved of the need to provide consistent and common access channels to the range of services provided; and, as a second step, to consider transferring elements of their provision into a T-shaped Community to support and deliver a range of joined up services for the benefit of citizens and the community. This initiative would include local authority functions, other aligned local services including police and fire authorities, the NHS/Primary Care trust, not-for-profit organisations and Central Government services.

A broader range of locally focused services can be incorporated into the T-shaped Community model

In bringing this initiative to life, the local community, suppliers and the media would need to be clearly briefed on the bigger picture and of the potential benefits of change. For employees and representative trade unions of partner organisations, the onus would be on them to demonstrate commitment to the new way of working and understand the consequences of inertia.

Realistically, there may be opposition among some of the service providers asked to consider adopting the T-shaped service delivery model, but in Vertex's experience this would essentially not be any different to the concerns voiced by some departmental stakeholders as part of a transformation programme typified by the T-shaped Council. It is the norm for stakeholders to respond according to their own perspective, interests and priorities. While these views should be respected, they should not necessarily prevent the pursuit of the overall aims of change.

A second challenge would be to ensure that services that can be managed within the framework of a T-shaped Community prove to be an accurate geographical fit.

Here, there is evidence that reform within some institutions to deliver this closer fit with local authority areas is happening<sup>4</sup>.

The boundaries of police Basic Command Units, for example, have been better matched to those of local authorities, and neighbourhood policing teams are being created to address the Local Area Agreement strand of safer and stronger communities.

Similarly, it is increasingly likely that a similar alignment exercise will happen with Primary Care Trusts to support the need for healthcare programmes that reflect the healthier communities and older people strand of the Local Area Agreement initiative.

A third challenge is to determine whether the T-shaped Community model is flexible enough to meet the needs of a range of local government structures. The Local Area Agreement model is being introduced across a mix of single tier authorities and counties, and there is no reason to suppose that a complementary T-shaped form cannot be developed to reflect the needs of a local area on a community-by-community basis. Again, if the T-shaped Community model is able to align services formerly outside the orbit of a local authority, then a case can be made for ultimately introducing the shared service concept to this broader mix of public services, securing further service quality and customer experience improvements and cost savings.

In overall terms, then, the T-shaped Community concept can make a valuable contribution to the connected debates of reform, democracy, modernisation, efficiency and effectiveness. We also believe that its focus is broader than solutions that are more purely led on BPO and IT, of which there are many in the market.

In focusing on customer experience as well as cost savings - and actually working in partnership with partners rather than, in effect, 'telling them what to do then leaving them to it' - we are committed to delivering a broader range of outcomes that accurately reflect the ambitions of those leading the debate within local and central Government.

## Where To From Here?

There are a number of issues that need to be resolved before the vision of a T-shaped Community can be brought into being. We would summarise these as follows:

- Participants recognising that communities are looking for joined up and accessible services
- A clear consensus is required to ensure that all partners understand and agree to the scope of the objectives
- Robust governance arrangements must be put in place so that all partners are satisfied with the transparency and democracy of decision making, that mutual accountability exists and that there is clarity over the balance of power
- A willingness to minimise the level of red tape that might obstruct the process of introducing a T-Shaped Community
- A willingness to manage multiple approvals processes efficiently so that decisionmaking timescales can be met
- A recognition that the T-Shaped Community concept may not suit the needs and aspirations of all communities

In recognising these issues, we would recommend that they are considered not as shortcomings of the T-Shaped Community model but as focus areas that can be tackled as the broader concept is developed.

### A vision of the T-shaped community in action

A resident calls the local service line to report anti-social behaviour - teenagers are lighting fires on waste ground near the caller's home. An incident report is sent immediately to the Community Police team to assess and respond. The report is copied into the area's environmental service to review the area, establish ownership and recommend remedial action either for a public service partner or as an order to the landowner. The Community Police's incident report is interfaced to social services to assess the need for further action with the carers of the teenagers involved in the incident, and a summary of action is sent by email to the resident.

### Conclusion

In highlighting the work of his society's 'Setting The Agenda' group, Tim Byles, chairman of SOLACE underlined local government's aspiration to develop the role of a council as the leader of its community and the primary building-block of governance in an area, able to cover all aspects of public service and community focus<sup>5</sup>.

Vertex believes that the T-Shaped Community represents a logical and practical solution not only to aid local government meet this aspiration but also to support Central Government achieve its broader goals of efficiency, quality, and democracy.

### More About Vertex

Vertex, a subsidiary of United Utilities plc, is a leading international provider of business process outsourcing and technology services and is one of the UK's major customer management service suppliers. The company develops and implements a range of outsourcing solutions for many leading organisations based on a diversified portfolio of long-term contracts across private enterprise, financial services, utilities, and Central and Local Government sectors.

It has nearly 10,000 employees in 70 locations across 8 countries.

Its clients include Alliance & Leicester, Bank of Scotland, CIBC, Egg, Lastminute.com, Legal & General, Lloyds TSB, Nationwide Building Society, Marks and Spencer, Tesco, Thurrock Unitary Council, UPS and Westminster City Council.

### References

- 1 The Guardian, 27 February 2006
- 2 66 Local Area Agreements signed 27 March 2006
- 3 'Sharing & Learning From Local Area Agreements', Nick Rousseau, Sheffield First Partnership May 2005
- 4 Robert Hill, Local People Power, The MJ, 12 January 2006
- 5 Tim Byles, Stop Hopping Around, The MJ, 26 January 2006