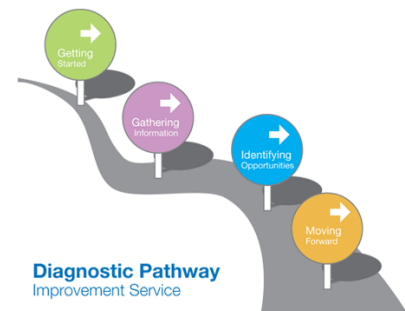


The Diagnostic & Design Process to Improving Together

Introduction

The Diagnostic process is an innovative approach of engaging an organisation in identifying opportunities for improving services to customers and realising efficiencies through simplifying, standardising and sharing; and then developing those opportunities into practical solutions.

The Diagnostic approach was pioneered by the City of Edinburgh and Glasgow City councils (with the support of their consultants: PWC & KPMG), who undertook their Diagnostics during 2007. The lessons learnt and experiences of their differing approaches were consolidated so that, with support from the Improvement Service, the other 30 Scottish Local Authorities were able to undertake it during 2007/8.

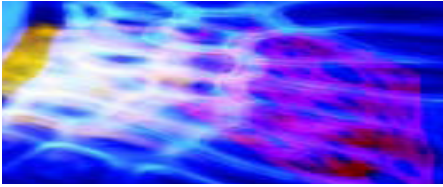


What is it?

The diagnostic takes an end to end, process-based approach to reviewing an organisation rather than the more traditional functional-based approach. This process-based approach provides an organisation with the opportunity to better understand how it undertakes the processes required to deliver services; where these processes are undertaken; where processes are replicated or duplicated and where processes are fragmented. This view of the organisation can then be used to identify opportunities for simplifying processes, standardising processes and ultimately sharing processes within directorates, across the organisation and potentially with other organisations.

Its key features are:

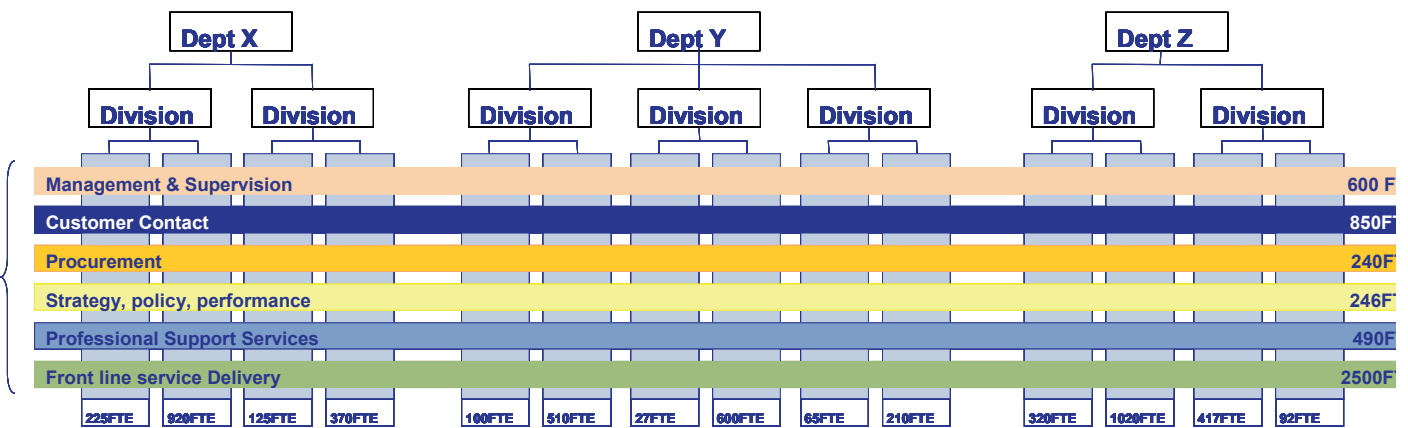
- Its focus on engaging with managers to ensure opportunities are practical, customer-focused and bought-into;
- It is based on a standard process model, which enable the similarities between teams to be exploited;
- Resources are analysed across the generic processes;
- Opportunities are based on data, providing a quantitative base-line;
- Opportunities are focused on organisation-wide opportunities



to 'simplify, standardise and share'.

- It raises the level of vision and aspiration through a gap analysis against leading practices and metrics;
- It integrates existing project and initiatives into a strategic change programme;
- It develops opportunities into practical solutions.

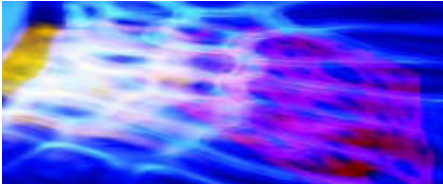
Examples of Generic Activities



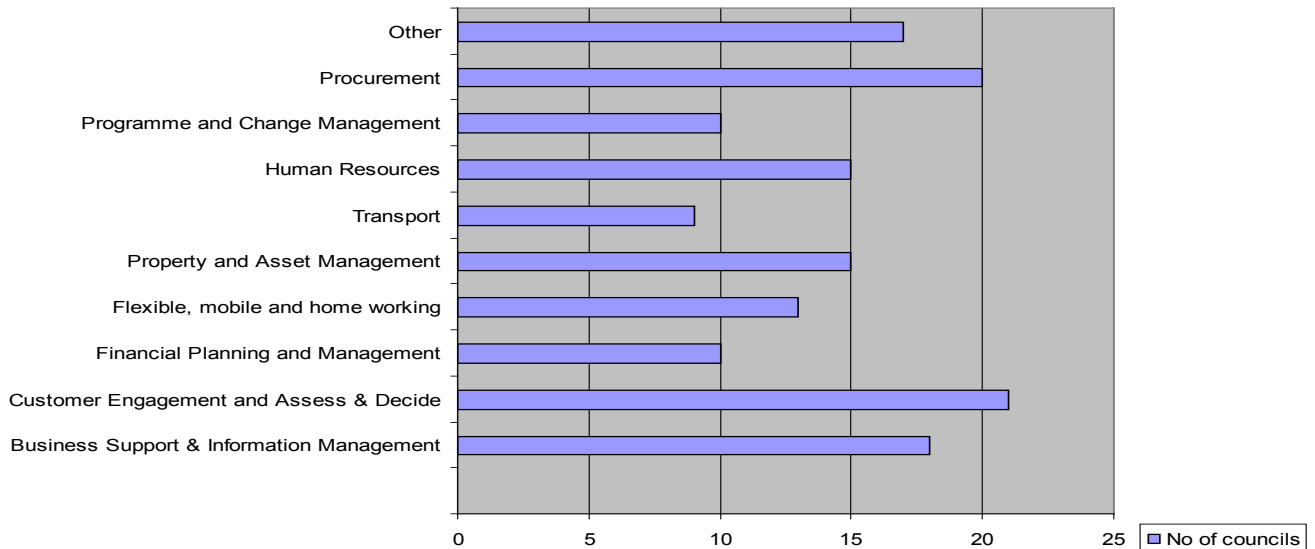
Developments to date

The diagnostic has made a significant contribution to the strategic improvement agenda for Councils and has enabled existing initiatives to be reviewed and challenged. Over 200 business cases have been prioritised and put forward and councils are currently further developing their business cases. Cumulatively the indications are that at least £200 million of savings will be generated over the next few years through taking forward the work that has been identified through the diagnostic.

National common areas have been identified in the areas of Business Support and Information Management; Customer Management; Finance; Flexible, mobile and home working; Human Resources; Procurement; Programme and Change Management; Property and asset management; and Transport (see diagram below). Councils are willing to share knowledge and information and to learn from others as they progress. The main focus is on opportunities within their Councils. Inter-Council opportunities identified have been identified and councils are continuing to share as they move through the next phase.



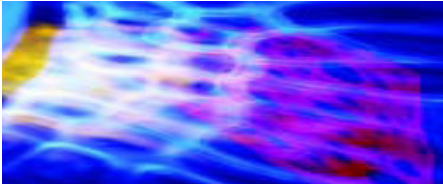
Opportunities to work together



Where next?

The Improvement Service Shared Services and Knowledge Management teams are working with councils and stakeholders to manage and share the knowledge at the heart of the national simplify, standardise and share approach for local government. This approach aims to ensure that all learning and knowledge gained is captured and recorded in order that this can inform future projects and to assist the wider public sector under taking similar initiatives. The main outcomes will be:

- The Diagnostic/Design Toolkit - a toolkit that will exist as a single, end-to-end toolkit containing generic tools to enable other public sector organisations to undertake the process.
- Active promotion of the diagnostic/design process and guidance, and support for public sector organisations undertaking the approach using the toolkit.
- Opportunities in particular core areas that are prioritised by councils will be shared with other councils and the wider public sector.
- There will be evidence of greater collaboration across a number of councils of adoption of standardised processes in the core areas.



Case Study - Argyll & Bute Council

“Process for Change” is the name of an Argyll and Bute Council programme which is looking at “what we do, how we do it and how we can do it better”.

The programme is managed by the Council’s Business Improvement Team and is the follow up to the work undertaken in 2008 under the title “Shared Services Diagnostic”. That work identified key areas for improvement within the Council, and has resulted in seven Themes emerging which form the basis of the Process for Change programme. By examining how it currently does things within these themes, the Council believes that it will be able to identify potential savings in terms of both cash and efficiency, which can then be directed to front line services, speed up processes, make services more accessible to customers and enable it to focus more clearly on customers’ needs.

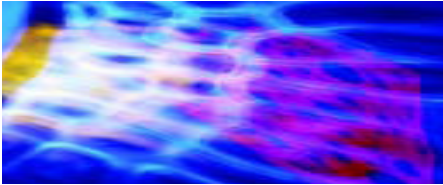
The outcomes of this Process for Change programme will enable the Council to take a long term view of the changes it needs to make, the costs and benefits of those changes and what the options are for making them happen.

“Process for Change offers us a great opportunity to provide better services, better customer care and be more efficient in how we go about our business. This is an exciting time for the Council - a time where customer, staff and elected members will see real improvements.”

Sally Reid
Chief Executive, Argyll and Bute Council

“Collaborating with other councils - in particular Dumfries & Galloway, Moray and Highland with whom we use common consultants - has been invaluable in giving us confidence that we are moving forward in a logical direction. We learnt from each other throughout the diagnostic phase and now during the high level design we have developed a common approach to developing each of our opportunity themes. We share document templates and programme management techniques as well as experiences about what works and what doesn’t.”

Judy Orr
Head of ICT and Financial Services, Argyll and Bute Council



Case Study - Moray Council

“The Shared Services Diagnostic has highlighted the potential for a significant modernisation programme for Moray Council.

Following on from the Scottish Government’s investment of £150,000 the Council has committed a further £800,000 to take forward detailed design and implementation plans for modernisation, referred to locally as “Designing Better Services”. The council is targeting efficiency savings in excess of £4m per year and is also convinced that services to customers will be improved by the Designing Better Services programme.

Working with partner councils during the diagnostic phase was of great benefit and we are delighted to be maintaining that partnership through the joint procurement of consultancy support for the detailed design and implementation phase.

Working with consultants on the shared services diagnostic confirmed that there are no easy options remaining for further efficiency gains and the council has recognised that the next changes need to be transformational. Councillors acknowledge that this scale of change needs careful planning and will take a number of years to fully implement.”

Mark Palmer
Chief Financial Officer, Moray Council

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