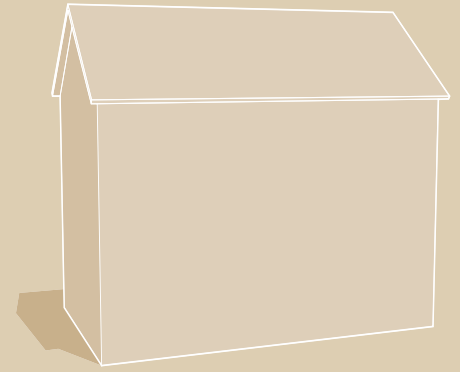


Improving Operational Effectiveness in the London Borough of Lambeth



From Possibility...

Lambeth London Borough Council (Lambeth), like many local authorities, faces the twin challenge of reducing budgets and improving services. The Housing Benefits Service, like the rest of the Council, had improved steadily in recent years, but recognised that further step change improvements were needed.

Ad Esse Consulting were commissioned by Lambeth Revenue & Benefits to use Lean Systems Thinking to review its Housing Benefits New Claim and Change in Circumstances processes. Before introducing a planned upgrade to their document management system they want to ensure their processes for the receipt, assessment and payment of benefits were as good as they could be.

The council is one of 14 local authorities which make up Inner London. It is one of the most densely populated inner London boroughs, with a population of around 270,000. Approximately 38% of their population is from ethnic minorities, the seventh highest figure for a London borough. Approximately 150 languages are spoken in the borough. After English the main languages spoken are: Portuguese, Yoruba, French, Spanish and Twi. This diversity and associated language barriers place great demands on both staff and processes within the Lambeth Housing Benefits service.

Lambeth Housing Benefit Customers have a choice in how they submit their claims;

- Via the post
- In person at one of the customer service centre
- Via a third party partner such as housing letting agencies
- Via the internet

In the customer service centres, customers could visit the council and discuss their claims with a trained housing benefits officer. It was the staff view that customers seen personally by a trained assessor received a better service. They felt the customers and assessors benefited from the face-to-face interaction, giving opportunity for immediate clarification of any areas of ambiguity that might otherwise put a hold on the claim being assessed. Due to high volumes they had moved to a two tier service in the customer service areas. Customers dropping in their claims were only seen by staff with limited knowledge of Housing Benefit processes and procedures and as such only able to determine the completeness of the form. Actual assessments were conducted by Housing Benefit Officers at their desks and remotely from the customer service area and customers themselves.

The Ad Esse consultants, working with managers and staff, were asked to design and implement improvements using Lean principles, specifically looking to achieve:

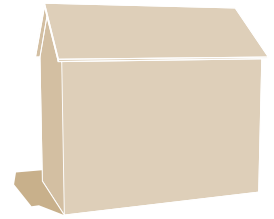
- Reduced cycle times
- Reduced errors (and so reduce the numbers of appeals and overpayments)
- Improved customer satisfaction.

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OUR APPROACH

The project was divided into five key stages:

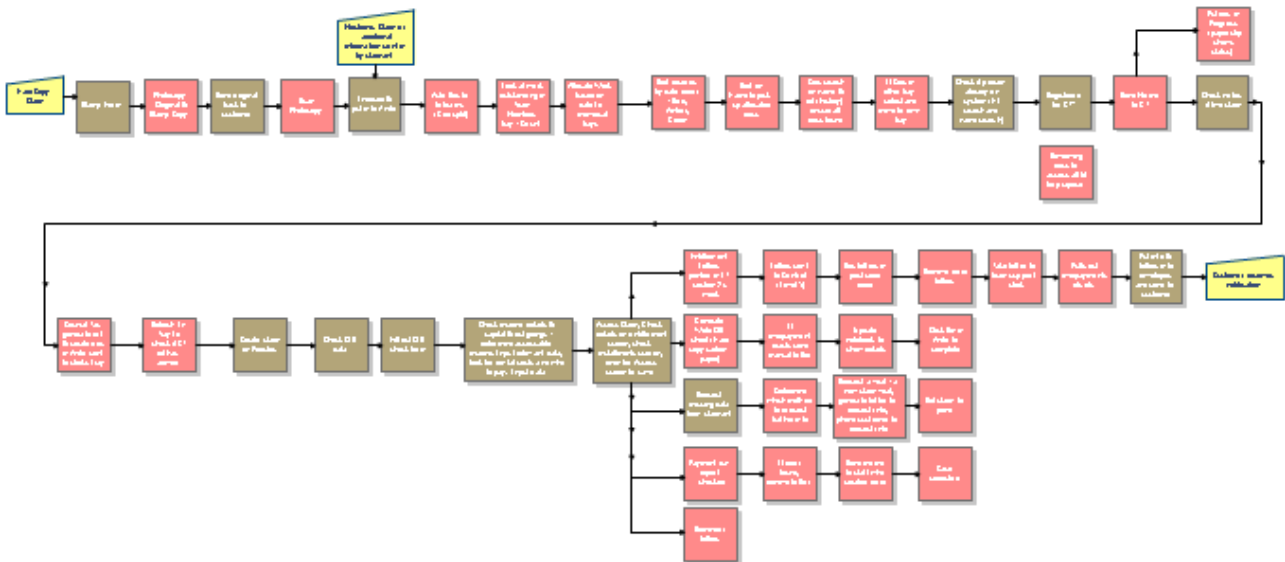
1. Value Stream Mapping
2. Design workshop (Improvement Phase)
3. Preparation for pilot
4. Review & Evaluation
5. Roll-out



VALUE STREAM MAPPING

We supported cross functional teams in mapping their current ways of working and then analysed existing data to measure current performance and understand how value was delivered to customers. Additionally we interviewed benefits staff and managers to gain an understanding of any problems they were experiencing. This aided the identification of the non-value adding elements (the different types of waste) within the processes.

The 'As Is' New Claim process shown below highlights in red those steps identified as non-value adding (tasks currently required to photocopy, scan and manage workload but not directly contributing to conducting an assessment). This was then repeated for the Change in Circumstances process.



DESIGN WORKSHOP

A 'To Be' design workshop challenged staff to improve the current process by finding ways to eliminate or reduce the non-value adding activities.

The mapping exercise helped staff to visualise everything that happens within the process, see the delays, ask questions and begin to think about potential solutions. Using the 'As Is' process map, they identified opportunities to smooth the work flow. They looked for rework, unnecessary duplication, and steps that can be combined or eliminated.

Having a cross-team cross-functional selection of staff in the workshops helped prevent misplaced blame, opened up dialog between teams and began to break down departmental silos.

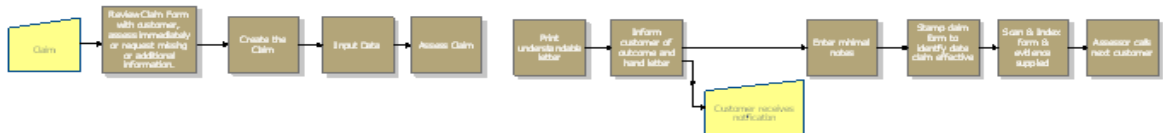
The diagnostic identified many opportunities for improvement including:

- Claim forms being submitted with information missing, leading to additional customer contact prior to assessing the claim
- Further correspondence with customers due to incorrect or incomplete requests for additional information
- Despite being a 'paperless' office scanned images were having to be printed to enable staff to read the data due to poor quality of scanned images

- A point-based productivity system led to the creation of additional internal documents, unnecessary customer contact and pending of work unnecessarily; many cases being revisited numerous times prior to conducting the assessment
- Managers spending excessive amounts of time allocating and then reallocating work to officers
- Performance data was only available retrospectively making it difficult to understand issues that had impacted upon that says productivity and to prevent reoccurrences in the future

New ways of working were developed using the principles of Just-in-time processing, Standardised Work and 5S Visual Management to improve flow, reduce handoffs and reduce customer waiting time.

The 'To be' process map below shows the process after it was changed to become Lean (approx. 60% step reduction).



GETTING IT RIGHT FIRST TIME

One of the key issues identified in the diagnostic work was the extent to which submitted claim forms were missing information and supporting evidence. An easy solution to address this in the customer service areas was for trained Housing Benefit Assessors to take receipt of the claims. This allows for the forms to be scrutinised by the person making the assessment and for the customer to be available to answer any additional questions there and then. This was then taken a step further with staff assessing the claim immediately with the customer present when all information is available.

This removes the need for high quality scanned images as the assessment is made using the originals as provided by the customer. Scans are then merely a record for audit purposes.

Another crucial element was to review those activities undertaken alongside the assessment that were viewed as non-value adding, such as generating internal inputting sheets and duplicating data already held within the system.

These changes to the process were captured in simple Standard Work Instructions to ensure all staff had a common understanding of how the process had changed.

The changes reduced unnecessary customer contact by getting it right first time and to reduce the overall throughput processing time and deliver decisions to customers as swiftly as possible.

PREPARING FOR NEW WAYS OF WORKING

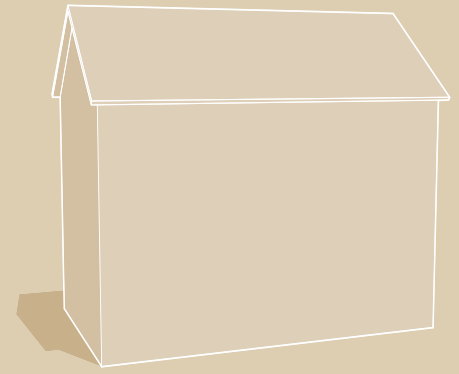
Once the new ways of working were designed the teams turned their attention to their work environment to ensure it was also 'Lean'.

Applying the 5S methodology the work environment was systematically analysed and changes made to layout and availability of equipment to achieve an organised work place delivering increased team effectiveness and standardisation. 5S is used to improve safety, work efficiency, productivity and to establish and maintain staff's sense of ownership of their work space and the quality of work. The systematic and discipline approach of 5S supports the creation of a culture that perpetuates a neat, clean, safe and efficient work environment.

REVIEW AND EVALUATION

The new ways of working focuses on completing the customer's requirements at first point of contact during a face-to-face interview where ever possible. This ensures that staff do not have to make unnecessary, valueless contact with the customers, which is frustrating for the customer and an inefficient way of working for the local authority. As this is an outcome based method of working, customers are in many cases leaving with the results of their claim. This alleviates the need for them to make a return visit or to contact the department via the call centre to chase-up the outcome of the claim. This potentially reduces demand on the department and Customer Call Centre.

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BENEFITS

Some of the highlights of the achievements experienced by the teams were;

Tangible benefits:

- 15% reduction in overall average processing days during three month pilot
- 9% increase in percentage of staff time spent conducting assessment of claims
- Reduction in documents having to be pended due to incomplete information
- 11-14% increase in procedural accuracy
- Reduction in time spent allocating work by managers

Intangible benefits:

- Increase in staff motivation and morale
- Greater awareness of end-to-end process flow
- Engagement of staff in identifying waste
- Customer satisfaction.

From the customers perspective they are leaving the customer centres having completed their transaction end to end. Customer survey results indicated a higher level of satisfaction with the improved Housing Benefits service.

	LEAN CUSTOMER EXPERIENCE	NON-LEAN CUSTOMER EXPERIENCE
TOTAL FORMS RECEIVED	133	263
TOTAL RATED EXCELLENT	116	206
% EXCELLENT	87.22%	78.32%

Based upon these results the new Lean ways of working have been rolled out across all other assessment teams and work has commenced to review other processes using Lean Systems Thinking.

FURTHER INFORMATION

To receive regular case studies and articles like this one, you can subscribe to our newsletter 'Actualty'. Contact us at Ad Esse Consulting Ltd.

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