

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Executive

Audit & Performance Review Committee: 20 December 2006

Subject: Continuous Improvement and the new Public Services Improvement (PSIF) Framework

1. Purpose of Report

- 1.1 The report reviews progress on developing a continuous improvement framework and in particular reviews the new Public Sector Improvement Framework (PSIF)

2. Background

- 2.1 Currently we are progressing with our strategy of achieving Charter Mark for all services which have a significant front-line external customer focus and liP for internal services in conjunction with re-focussing our on-going programme of best value service reviews.
- 2.2 Commendable though this is it does not fully constitute a comprehensive continuous improvement framework which we need in order to develop a culture to support best value and continuous improvement across the organisation. This is one of our immediate priority improvements from the BV Audit.
- 2.3 Figure 1 shows the EFQM (European Foundation Quality Model); it is generally accepted as being the most appropriate formal quality model that covers the whole breadth and scope of an organisation.

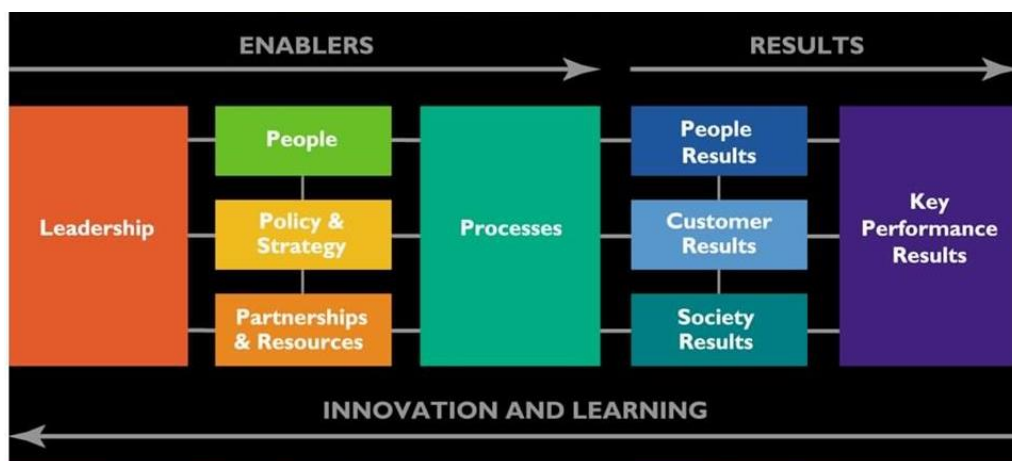


Figure 1

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liP, Charter Mark, ISO9000, Kaizen, 6-sigma etc all address various aspects of the model but are not as comprehensive (Figure 2).



Figure 2

The main drawbacks usually quoted with 'off-the-shelf' EFQM are its complexity, its need for resourcing, a lack of a formal accreditation and a weakness in addressing the key area of best value – namely option appraisal and competitiveness.

2.4 The BV Strategy Group reviewed the options of (a) implementing a continuous improvement framework using a model such as EFQM or (b) creating our own internal self-assessment model based on the BV criteria and a scoring system (similar to that developed in East Renfrewshire). In April 2006, following a presentation on the various options -the Strategy Group agreed in principle to progress option (b) in conjunction with continuing our CharterMark and IIP programmes.

2.5 The development of a Continuous Improvement Framework is a key part of our draft Best Value Improvement Plan.

3. The Internal Self-Assessment Model

3.1 The proposal aimed to develop an internal quality assurance tool, which would help services demonstrate their commitment to best value within their day-to-day practices. The aim would be to replace the need for a 5-year programme of major best value service reviews which have become cumbersome and resource intensive. This self-evaluation model would give us a more efficient, less bureaucratic approach, which in turn would lead to quicker shorter reviews and the integration of good practice in the delivery of best value across the Council.

3.2 The model would developed in-house on the basis of the Education Department's Quality Management in Education and "How good is our school?" models, amended to reflect the 20 best value criteria outlined in our BV Submission of Nov 2005. Self-evaluation ratings (1-6) would be made on service performance on each of the 20 criteria. The result of each evaluation would be a report on the service and an improvement plan based on these. Annual review was envisaged.

- 3.3 No further progress on developing this model has taken place as a result of the announcement in the summer of the launch of the new Public Service Improvement Framework.

4. The Public Service Improvement Framework

- 4.1 In September 2006, the Improvement Service in partnership with Quality Scotland and West Lothian Council formally launched the 'Public Sector Improvement Framework' (PSIF). This was the 'West Lothian Assessment Model' which was developed internally in WLC and based largely on EFQM to integrate all the requirements of best value, EFQM, Chartermark and liP in one new self-assessment framework. (Figure 3)



Figure 3

- 4.2 The framework has been endorsed by COSLA, Investors in People and the Improvement Service and is being developed and marketed by Quality Scotland - who are the lead body in Scotland for EFQM.
- 4.3 The PSIF was formally launched by Tom McCabe, the Minister for Finance and Public Service Reform, in Edinburgh on 26th September. The framework is being rolled out in 2 phases – the first phase being a pilot involving 2 local authorities, one government service area and one fire/police authority which will run for one year.
- 4.4 In West Lothian Council the approach has been to (a) identify the services that will undertake the assessment (it is done at a service level, not dept or corporate) and (b) to score each service in terms of outputs. A list of the services which were assessed is shown on Figure 4 below. Note this excludes Education services – which are covered by the HMIE scheme.

| PSIF – Service Assessments | | |
|--|---|---|
| <ul style="list-style-type: none"> •Financial Management •Internal Audit •Purchasing •Revenues & Benefits •Arts & Cultural Services •Community Education •Deans Community & Leisure Team •Inveralmond Community & Leisure Team •Libraries •Outdoor Education •Sport & Physical Recreation •Metal health •Children & Families •Communities & Information •Criminal Justice •Learning Disabilities •Physical Disabilities | <ul style="list-style-type: none"> •Health & Planning •Housing Strategy •Building Services •Housing - Bathgate & Blackburn •Housing - Broxburn & Linlithgow •Housing - Livingston & West Calder •Housing - Whitburn, Fauldhouse & Armadale •Registration Services •Customer Service Centre •Learning & Development •Business Operations •Policy & Health •Committee Services •Corporate Communications •Legal Services •IT Services | <ul style="list-style-type: none"> •Development Control & Building Standards •Environmental Health & Trading Standards •Strategic Planning •Transportation •Inprint •Fleet & Community Transport •Waste Management •Catering •Cleaning •Roads Services •Nets and Land Services •Construction Services •Countryside •Economic Development •Property Management •Older People |

Figure 4

- 4.5 Each service is assessed in one day by a corporate ‘Quality Development Team’. A process diagram is shown in Figure 5 below:

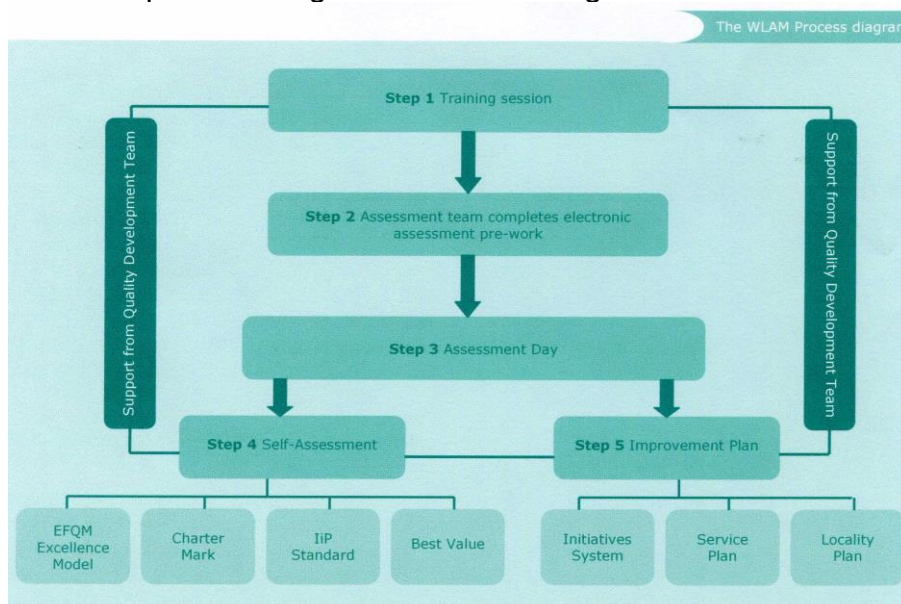


Figure 5

- 4.6 The results of the assessment are then output in simple tabular format- at the moment the actual scores are confidential but WLC intend developing and publishing these this as part of their new public performance reporting regime. An example of the type of output is shown in Figure 6 below:-

| PSIF – The Results | | | | | | | | | | |
|-----------------------------------|------------|------------------|------------------|----------------------------|-------------------|------------------|----------------|-------------------|-------------------------|--------------|
| Service Area | Leadership | Service Planning | People Resources | Partners & Other Resources | Service Processes | Customer Results | People Results | Community Results | Key Performance Results | Total Scores |
| Catering & Cleaning | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Refuse Collection | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Libraries | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Revenues & Benefits Unit | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| IT Services | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Strategic Planning | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Transportation | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Property Management & Development | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Learning & Development | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Customer Service Centre | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |
| Outdoor Education | xx | xx | xx | xx | xx | xx | xx | xx | xx | xxx |

Figure 6

- 4.7** Doing the self-assessment on an on-going basis means that all the foundations are in-place for carrying-out regular option appraisal exercises and assessing competitiveness. In essence this means that a BV Service Review could be carried out very quickly whenever required. WLC claim that the model meets all the requirements of option appraisal and competitiveness testing – we have contacted the West Lothian team to specifically address this issue and they have provided clarification and re-assurance.
- 4.8** The system is under-pinned by an evidence base – managers cannot just say something is true without evidence. The internal corporate team challenge the assertions made by reviewing the evidence. WLC claim that this will significantly reduce – even partially eliminate- the need for external audit and inspection.
- 4.9** The use of the system will allow much improved benchmarking opportunities across the public sector and identification of best practice.
- 4.10** The system is under-pinned by their integrated performance management system – which is a unique combination of their in-house ‘initiatives’ database (similar to our Action Planning database) linked to a vendor web-hosted Performance Management system complete with traffic-lights, reports and management ‘dashboards’
- 4.11** Some Councils had evidently made more progress along their own routes (eg East Renfrew, South Lanark and Fife) and were somewhat vocal in voicing comparisons with their models and the PSIF. It may well be that this group of councils – though technically and culturally ready for something like PSIF- do not need to adopt it since what they have is perfectly adequate. There does not seem to be any ‘compulsion’ to adopt the PSIF.

5. Potential Use of PSIF in West Dunbartonshire Council

- 5.1** At the launch event Councils were invited to evaluate how ready they might be to take on the PSIF should they wish too. We completed the on-line 'e-readiness' questionnaire which resulted in a 'Not Ready' status but noted that all Foundation requirements were met, most deployment requirements were met and that we had broad experience of implementing similar process structures. In addition it noted that implementation should not create critical problem areas. The only caveat was that our organisational structure may not be ideal.
- 5.2** These results were discussed in detail with Dave Bradley of Quality Scotland and Bernard Cruikshank of liP at a meeting in Dumbarton on 26th October. They noted that we could be put forward as a potential participant for the pilot phase (Phase 1) given the level of response to their readiness questionnaire and the fact that we have experience of the EFQM model in the E&CS department as well as Charter Mark and liP elsewhere. Phase 2 will start around July next year.
- 5.3** The potential participants in Phase 1 were discussed at a PSIF Board meeting on Monday 30th October where it was decided that, although we had a good deal of positive aspects, we would not be in Phase 1.
- 5.4** Quality Scotland have, however, offered to work with us in the interim so that we would be ready to proceed with in Phase 2 next year. A meeting is to be arranged later this month to scope out a work programme assuming we agree to participate. We would need the following:
- Firm high-level commitment from the Council Leader and Chief Executive
 - A director or senior manager to champion the project and to co-ordinate a steering group to make it happen
 - Commitment to train about 8 assessors (2 from each dept) in the new model (probably £600 each).
 - Appropriate expertise in the central policy unit to act as a focus for the PSIF. A growth bid for a Policy Officer has been prepared.
- 5.5** Quality Scotland would provide some initial facilitation, awareness seminars, the assessment tools and publicity materials free-of-charge as well as developing a project plan.
- 5.6** The Board are very interested in our offer to review the applicability of the PSIF approach into mainstream education – an area the West Lothian model does not currently cover. There will be further discussion of the scope and scale of this.

6. Personnel Issues

- 6.1** The recruitment of one new full-time Policy Officer.

7. Financial Implications

- 7.1** The implications have yet to be finalised but will likely comprise the costs of a full-time officer (gross cost approximately £35,000) and some assessor training (approximately £4,800). A Growth bid has been prepared for 2007/08.

8. Recommendations

- 8.1** The Committee is invited to approve in principle the adoption of the PSIF as the Council's continuous improvement framework.

David McMillan
Chief Executive
Date: 13 December 2006

Wards Affected: All

Appendix: None

Background Papers: None

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