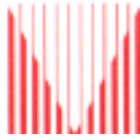


West Lindsay District Council Planning Case Study

*“work on what matters to those who use
your service”*

Vanguard Scotland

2010



Background:

Planning Departments often attract criticism for poor levels of customer service. This case study highlights one particular planning department working to save money and improve customer service and customer value for money. The Vanguard method was used to understand and improve the allocation of work with an emphasis on the flow through the department of a single piece of work. A method called “Choke/Release” was used to match the department’s capability and customer demand in order to achieve single piece flow.

West Lindsey District Council had undergone a “Lean” review in which they implemented a new flow and a Pre-Application Advice process. The department handles around 1,000 planning applications per year. Its performance is in line with the Government National Indicators (NI) as follows:

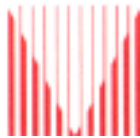
- 69% of all local authorities make at least 60% of decisions on major applications within 13 weeks
- 89% of all local authorities make at least 65% of decisions on minor applications within 8 weeks
- 89% of all local authorities make at least 80% of decisions on other applications within 8 weeks

If viewed from an applicant’s perspective, the department would process applications as fast as possible in order to make a “yes” decision. In this system, there are often conflicts because what may be right from the applicant’s perspective may not suit neighbours and other stakeholders in the community. For this reason, we must focus on the right decision as far as the priorities of the district are concerned. The definition of purpose is key to understanding the system.

Findings:

The Authority had been meeting the Government’s targets for determining applications. However, that target clock doesn’t actually start ticking until an application is signed off by the department as valid. So what about the time between the application arriving with the Authority and it being validated?

There was frequently a backlog of new cases to be validated at the front end of the planning system and there was little incentive to shift it. Once applications were valid, all the effort and focus was put on those applications nearing the end of the time target. This resulted in a number of dysfunctional behaviours. For example, if an application had lingered on beyond the date where it would meet the NI target it was deemed as a loss in target terms and would therefore attract a much lower priority in the system while the focus returned to the ones they could save.



When the true length of time to process an application was measured (from receipt to determination) the results did not exactly tally with the National Indicator. The average length of time to process a minor application was 79 days but statistically could take up to 144 days. This excluded some 'special cause variation' associated with complex determinations that went to committee.

When the number of applications being accepted into the system as valid was examined, it was found that approximately 70% of applications hitting the department were being returned as invalid. Frequent reasons for invalidity were: the omission of a North compass point on plans (an omission that could easily be put right without the full set of paperwork being returned to the applicant) and incorrect measurements.

This also resulted in significant failure demand (failure demand can be defined as the demand generated on a service by the service's failure to act or to do something right for the service user). 43% of incoming calls to the department were found to be failure demand.

During the analysis we observed a particularly onerous Pre-Application process whereby all requests for pre-application advice resulted in an administration process akin to a full planning application. This step was designed in at a previous lean review. However, there were no measures in place to determine its usefulness and instead of the originally intended informal system designed to help get applications in clean, it had become a work stream in its own right. This meant it was absorbing capacity without making a measurable difference.

In addition, the previous lean review did not sufficiently address how the new system should operate, nor did it remove the focus away from the NI targets. It therefore became obvious that the previous review had simply changed the process flow rather than addressing the target culture and the unwanted behaviours that generated.

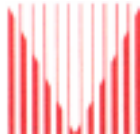
Causes of Waste:

- Measures

Whilst the previous lean review made changes to the process it kept the same focus on the NI. With management still paying attention to this and not paying attention to what matters to customers, the fundamentals of the system's performance did not change sustainably.

- Workflow

Too much emphasis was placed on workflow rather than looking at applications. For example all demand was treated the same in the pre-application process and there was a checklist approach to validation of new applications. In addition, many parts of the system had become over engineered.



- Capability

With no measures of purpose and continued management focus on NI there was no understanding of the department's capability. So when demand was increasing - with no mechanism to understand and address the problem - the whole department would switch into "firefighting" mode. This led to prolific "bad multitasking" (moving from one unfinished task to another) which in turn resulted in capacity being absorbed without adding value.

Actions:

Obtaining Clarity of Purpose

In any institution where there is a question mark over the existing culture there is only one place to start and that is by having those people involved in the work define and agree their common purpose from the perspective of the customer. Only a collective understanding of purpose can drive a change in culture. In this instance purpose was defined as:

"Determining the right decision for a given development in as short a time as possible"

Eliminating Bad Multi Tasking

Planners were under pressure to show progress across a portfolio of cases. This was not only bad for overall performance but bad for those at the coalface. Continual target chasing resulted in tasks being continually stopped and started. This meant that everything took longer, in terms of elapsed time, to complete.

Tackling the issue of the bad multi tasking, generated by having so many cases open at once, was a key part of getting the system under control. The relative uniqueness of each planning application gave cause to make the connection with what would traditionally be thought of as a multi-project environment, in which each output is unique from the last.

A skilled manager learns never to flood their system with work to the detriment of throughput. Instead they would focus on the gains to be made through a ruthless focus on prioritisation and flow. A system formed along those lines is in total harmony with our ability as humans to perform a single task well and at once, not against it as in the chronic multi-tasking we had seen.

The key to this first step is a clear prioritisation and from the customer's perspective that can only be first in, first out.



This change needed leadership backing as the implication was that throughput and completion were more important than the NI.

To achieve this transformation there are three stages that must be adhered to:

- 1) Freeze**
- 2) Accelerate**
- 3) Release**

Freeze

To effectively freeze the workload you must first understand it and its quantity. Assimilating it into a list is the best way. This list will then need to be strictly prioritised. As indicated above “first in, first out” was the only logical choice as it fitted with purpose. The point of freeze in the system was at the point of allocation with the Technical Clerk role. In order for this to work they needed visibility of the current workload in the system and a logical loading for each planning officer.

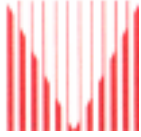
Accelerate

With this method if you freeze effectively you will accelerate. The acceleration comes from the planners leaving behind piecemeal progress in favour of moving applications forward properly according to their priority. The rules for this stage are that applications are to be worked on in priority order, wherever possible until their completion. If for any reason a blockage occurs it is the role of management to remove it and it is OK to ask for that assistance. For the avoidance of doubt these rules are best agreed with the team and codified for all to see as a set of Operating Principles.

Following this, planners found that they could write up and determine applications immediately after the consultation period had ended instead of letting them float in the ether until time allowed them to get back to it.

Release

Release into the system is controlled. Here it was controlled by initially setting a nominal load level based on a level slightly higher than capability. Because of the lag times associated with applications there needed to be a future load. In this system the load level was started at 5 applications per week per officer. As improvements in throughput were realised then the on-load could be adjusted once the new levels were sustainable.



It is important that during this time there is continual focus on throughput and removal of any blockages and interruptions to throughput.

Pre-Application Advice

The manner in which pre-application advice is handled is crucial to the smooth running of any planning department. Should the advice be too scant, the system will be snowed under with unclear applications. Too laboured and formal and the process can take over at the expense of the core work.

Putting the emphasis on what matters to the pre-application service users is key. What is critical information to one person may not be required by another. In short, the pre-application process must be able to absorb the inherent variation brought to the table by a plethora of users and needs. For example a site visit and the pouring over of detailed plans may very well be the best use of pre-application time in a complex case, but is probably over engineered for a simple conservatory extension.

There is a myth in existence when it comes to pre-application advice. The notion is that service users will feel they have been failed in terms of customer service if they ultimately receive anything other than an approval. In order to debunk this we must recap on exactly who our service users are. There is the applicant, of course, and as they have paid a fee it is easy to misconstrue them as the 'customer.' That said it would be remiss of us to not spare a thought for the taxpaying community at large that the Authority represents, they too are service users who are to be protected from the folly of poor development.

On this basis, it is an integral part of pre-application advice to reject quickly those applications that for whatever reason do not stand a chance of being approved. In doing so you prevent the wasted work they would cause by entering the system.

Validity

The issue of educating service users prior to their formal engagement with the system ties in directly with the problem of the technical validity of applications submitted. As the 70% initial rejection level at West Lindsay shows, the resultant rework caused by this churning of applications is both massive and exponential. If the front end of the system is busy today, just wait until tomorrow when it receives a new load of work plus all those applications that were returned on validity grounds the day or week before.

A simple piece of analysis looking at the type and frequency of applications that come in invalid proved invaluable. It allowed us to identify top reasons for invalidity and top offenders. Once we had this information we were able to look in more detail at the reasons.



What this highlighted was that the system was not making it easy for an applicant to do the right thing. When compared with other authorities WLDC was rejecting a far higher proportion of applications. The reason for this was a stringent measurement process that resulted in full plans being measured as part of validation, rather than just the areas that were important for determining the application. So, this non-value adding step was not only rejecting determinable applications but was also absorbing capacity and therefore reducing the capability of the application receiving process to meet demand.

Another change was introduced that was designed to reduce bad multi tasking by splitting the work for technical clerks. This meant that a single person was allocated to validation on a daily basis, working on strictly first in, first out rule and validating to completion. The other tasks were placed into a lower priority group of work picked up by others in the team.

Designing in Sustainability

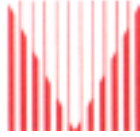
We've already seen that the Government's own performance targets (NIs) do not foster continual improvement (in reality they foster chaos and uncertainty). For Authorities wanting to make large scale sustainable change these targets must be replaced with measures that closely relate to purpose.

The measures in this system were agreed as:

- End to end time (receipt to determination)
- Volume in
- Volume out
- Number received valid

With an appreciation that all planning authorities are still compelled to report on performance in line with the National Indicator, let's view that for the time being as a necessary evil. The main point to remember is that if we manage by the NI we will end up with the NI or worse. Manage by measures relating to purpose and actual performance will improve.

The West Lindsay team agreed to measure the true end to end time of applications in their system. In so doing, the Government's idea of time (validated to determined) was changed in favour of the customer's view (received to determined). Throughput was measured and understood through keeping track of both the volume of applications entering and the volume of applications leaving the system. There was a measure to support the work on validity, measuring the percentage of applications coming in valid and the main reasons for them failing to do so. To work on these is to work on what matters to those who use your service.



Outcomes:

- Upper control limit for end to end application processing time fell from 144 days to 80 days
- Average time to application approval/rejection decision fell from 79 to 52 days
- Volume of applications completed increased by 100% in 5 weeks
- Number of applications declared Valid on receipt rose from 30% to 52%
- Planning application determinations have increased from 8 per week to 24 per week

West Lindsay's willingness to change their system and thinking has brought them a positive and dramatic improvement. However, there are still improvement activities to be delivered that will positively impact this further. If they are willing to keep working at it, then the future at West Lindsay District Council Planning Department is looking brighter every day.

If you would like to see more from Vanguard Scotland on making improvements in Local Authority Planning systems, or any casework based environment, you can download a free report and video from our website at:

<http://www.systemsthinkingmethod.com/project-localauthorityplanning-report.html>