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Service improvement and efficiencies continue in systems thinking organisations says NHC report

Wholesale efficiency savings and dramatic improvements in services to customers can be maintained and further improved using systems thinking, research by the Northern Housing Consortium has found.

Systems thinking involves looking at delivery of the service as a whole rather than individual parts and concentrates on identifying and removing waste.

In September 2005, the DCLG (then ODPM) published a report into the application of the methodology in housing, "A Systematic Approach to Service Improvement". This study, carried out for DCLG by the Northern Housing Consortium with three of its members (Tees Valley Housing Group, Leeds SE Homes and Preston City Council), looked at the effect of using systems thinking in housing management. The early results were impressive and highlighted the potential of systems thinking to deliver effective services efficiently - but were they sustained?

The Consortium has monitored progress throughout the year and has now produced a report looking at the sustainability of the approach.

This follow up shows that, in two out of the three pilots, systems thinking has become embedded and further improvements made, along with six figure efficiency gains. Highlights include:

- Repairs – End-to-end time, initially 46 days and reduced to 5.9 days following the initial systems thinking work has further reduced to around 5 days
- Repairs - Customer satisfaction continued to rise with 75% of tenants (from 61%) scoring the service 10/10 and 95% scoring 8/10 or above.
- Rehousing – The number of empty properties fell from 240 to only 118, a revenue increase of over £300k

The report also highlights the need for a change in management culture. In the third pilot organisation, which was in the midst of transferring the stock, the method did not become embedded as management focus was, understandably on the transfer. However, it has not ruled out revisiting systems thinking once the new transfer organisation is fully established.

The initial research found some evidence that performance indicators can dictate the way that the service is provided and that this is not always in line with customer expectations, This remains the case, though it is interesting to note that the direction of travel from government is clear in that performance measures should be based on service user experience.

Northern Housing Consortium Chief Executive John Moralee commented: “We are delighted to see that systems thinking continues to deliver improvements to our members’ customers. An increased focus on the customer is critical and this is clearly being recognised by government. We will continue to support our members in driving policy that underpins this.”

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