Communities
and Local Government

Capital and Assets Pathfinder Programme 2010-11

Customer demand workstream

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Contents

Summary

The Department for Communities and Local Government (DCLG) and delivery partners have been working closely with 11[1] Capital and Assets Pathfinder areas who are taking a joined up approach to managing the property and capital investment across all their public services. The aim of the Pathfinders programme is to test how a customer-centric and place-based approach to asset management and capital investment could improve local outcomes and generate significant savings.

This document aims to present local areas who are reviewing their public sector assets (in essence: land and buildings) with a selection of resources to help them to assess the needs of their customer base against those assets. These resources include case study examples, analytical tools and techniques, data sources, and learning from the private retail sector.

This document has been prepared as a tool for anyone working for or with a public sector organisation that may be embarking upon local 'capital and assets' activity, including those working in strategic asset management roles as well as customer demand/insight practitioners. This is likely to involve:

i) scrutiny of the complete public sector asset register at a local level and;

ii) exploring the possibilities for future service delivery from that property portfolio.

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[1] The 11 pathfinder areas are: Cambridgeshire, Durham, Hackney, Hampshire, Hull, Leeds City Region, Leicester & Leicestershire, Solihull, Swindon, Wigan and Worcestershire.

Introduction

Over the next few years, public sector organisations are to be faced with significant funding challenges. They will have to find ways to cope with any funding constraints while still continuing to improve the quality of their services.

The range of public services delivered in any given local area is vast, encompassing emergency services, healthcare, schools, social services, delivery of welfare benefits etc. Because of this, the customers who use them also vary widely from service to service, from the services that almost everyone uses such as waste collection, to the more specific such as residential care.

Several commentators have identified that there has been a separation of service delivery arrangements (and therefore customer intelligence) from asset management and capital investment which inhibits opportunities to make services more productive and responsive to the needs of local people. DCLG estimate that the savings potential from this could be as high as £35bn nationally. There is however, a danger that these savings could be made to the detriment of service quality. A value measure of service to the customer is often hard to quantify, and so potentially easy to ignore. However by dovetailing intelligence on customer needs throughout asset planning areas have an opportunity to minimise those negative impacts on service delivery, and reconsider how services can be improved.

The Localism Bill – published in December 2010 – sets out this government's aspiration to decentralise local services' powers to the public (ie customers). The Bill seeks to give local authorities greater confidence to get on with the task of responding to what local people want. In order to more closely align service locations and delivery channels with the needs and demands of customers, local services need to develop ways to incorporate the voice of the customer into their planning and decision making.

The Department for Communities and Local Government (DCLG) has been working closely with 11 Capital and Assets Pathfinder areas that have been testing how a customer-centric and place-based approach to asset management and capital investment could improve local outcomes and generate significant savings. Customer demand was agreed as one of five key initial workstreams[2] of the Capital and Assets Pathfinder project and Figure 1 offers a loose representation of the process that pathfinders might follow to identify key assets.

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[2] The four others being: Asset Mapping, Visions & Solutions, Finance, and Procurement.

Figure 1: Capital Assets Pathfinder Process Chart

This is a loose representation of the process pathfinders might follow to identify key assets to focus on. The main principle is to ensure at each step that decisions are informed by the attributes of the asset (finance and information from the customer demand side).

Capital finance and Asset attribute Inputs

High level asset information - Tabular Data
Striking out assets which clearly cannot be included (e.g. lease issues, crematoria, etc.)

All Assets (2000+ building) Filter out dead-ends End September 2010

Customer Demand Inputs

High level customer insights
Strategic understanding of people in local areas to inform prioritisation of services/assets

Point Locations of Assets
Measuring spatial spread of related services

Capital Costs and Funding Streams
e.g. Identify high unit cost assets, funding opportunities etc.

Obvious Opportunities filter

Customer overlaps
Grouping services together where clear customer overlaps exist – for example various youth services

Point Locations of Assets
Assessing point locations against key customer groups

Locations of Assets vs. customers filter

More detailed customer insights
Maps of (geo)demographic data, Indices of Deprivation, ONS Output Area Classification etc. to spatially locate customers

Specific Asset Properties
Assessment of rent/building costs. Floorspace, numbers of staff users etc.

Detailed Scrutiny filter

+More iterations as necessary

Specific customer insight analyses
Customer surveys & databases, focus groups, qualitative info, accessibility mapping etc.

Potential Solutions November 2010

Capital and Asset Pathfinders have needed to establish a clear picture of how customers use and access services across all partner agencies, and customer demand needs to be understood for frontline services and back office functions. DCLG and the pathfinders have tried to ensure that customer needs are designed into the long term strategies of the 11 local areas using customer demand intelligence.

This paper aims to bring together a range of useful resources to help inform the customer demand work of local areas. The main elements are:

- What is customer demand?

- approaches and issues to consider in capital and assets work

- selection of pathfinder approaches

- comparators/minimum service standards/established local priorities

- analysis tools

- data sharing

- lessons from private sector.

1. What is customer demand?

In the context of this project the term customer demand is being used more than customer insight, primarily because there is a specific task to ensure the *supply* of services delivered from public sector assets is matched appropriately to the *demand* from the customer as an asset planning exercise. However, the customer oriented approach is often referred to as 'customer insight' outside of this project.
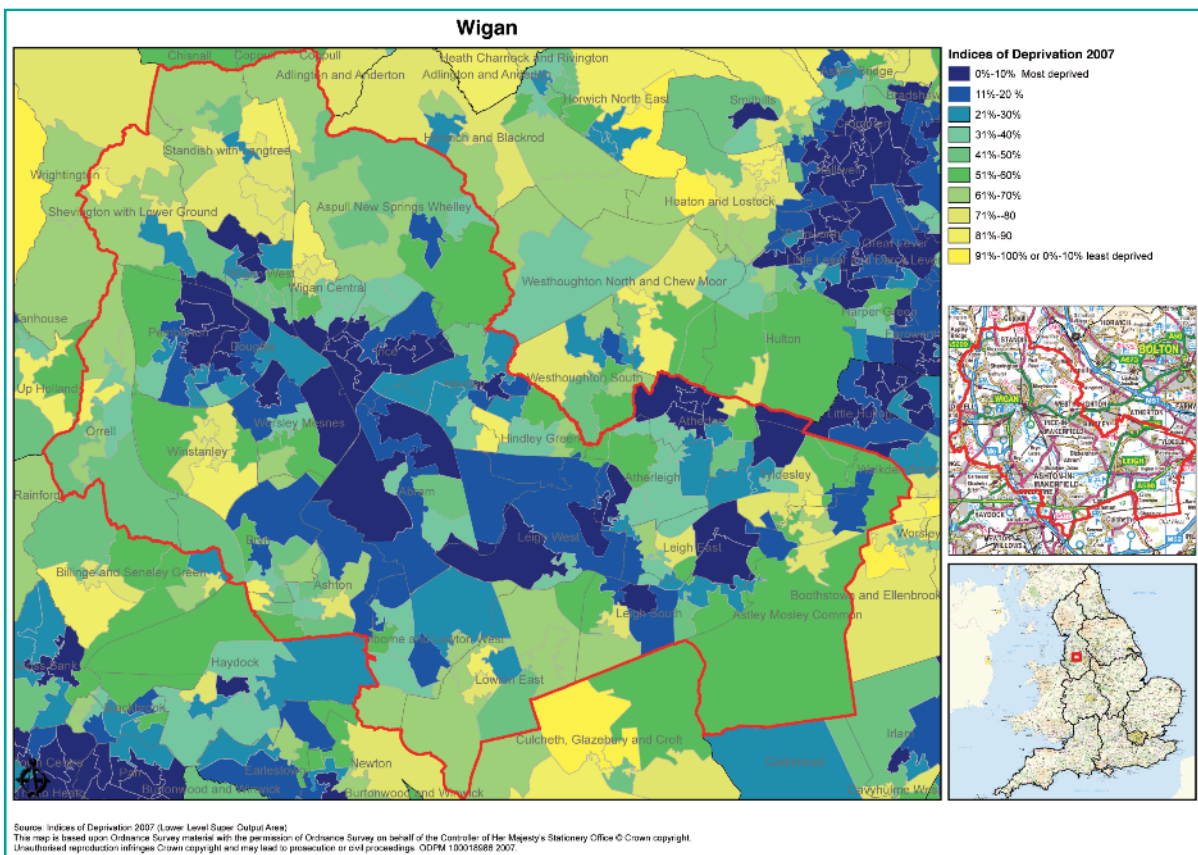
Customers and the demands they place on services should be thought of as dynamic, and will change over time due to factors including population change, technology improvements, transport infrastructure etc.

This paper covers all intelligence gathering that improves understanding of the customers of public services in an area. This is clearly very broad and there are a range of information sources and techniques that can be employed depending on the context of the decision at hand. These include:

• Mapping and analysis of demographic or other summary data of populations and groups of people for small geographic areas.

For example thematic maps based on the Indices of Deprivation, customer segmentation products, census data, benefits data etc. Thematic maps of this type of data, when presented alongside asset locations and attributes, can give a useful overview of the appropriateness of service locations for key concentrations of customer types.

Indices of Multiple Deprivation 2007 – Wigan

Source: Indices of Deprivation 2007 (Lower Level Super Output Area)
This map is based upon Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office © Crown copyright.
Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings. ODPM 100018986 2007.

- Analysis of individual data collected directly from customers via admin systems and Customer Records Management systems or surveys.

These data are not summary information for geographic areas (as in the above example) but are data for individual customers (collected with appropriate permissions) which can be analysed as they are, or attached to the geodemographic datasets described above[3].

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3 Subject to data quality/sample sizes and testing the strength of the relationships between the geodemographic data groups and the individuals sampled.

The map below (by AXESS West Sussex) shows that most visitors to Bognor town hall come from close proximity. The locale of Yapton, however, was hardly represented in visitor lists. Analysis suggested that this was because there were not public transport links between the two.

West Sussex Partnership 'Axess' map of Bognor town hall visitors
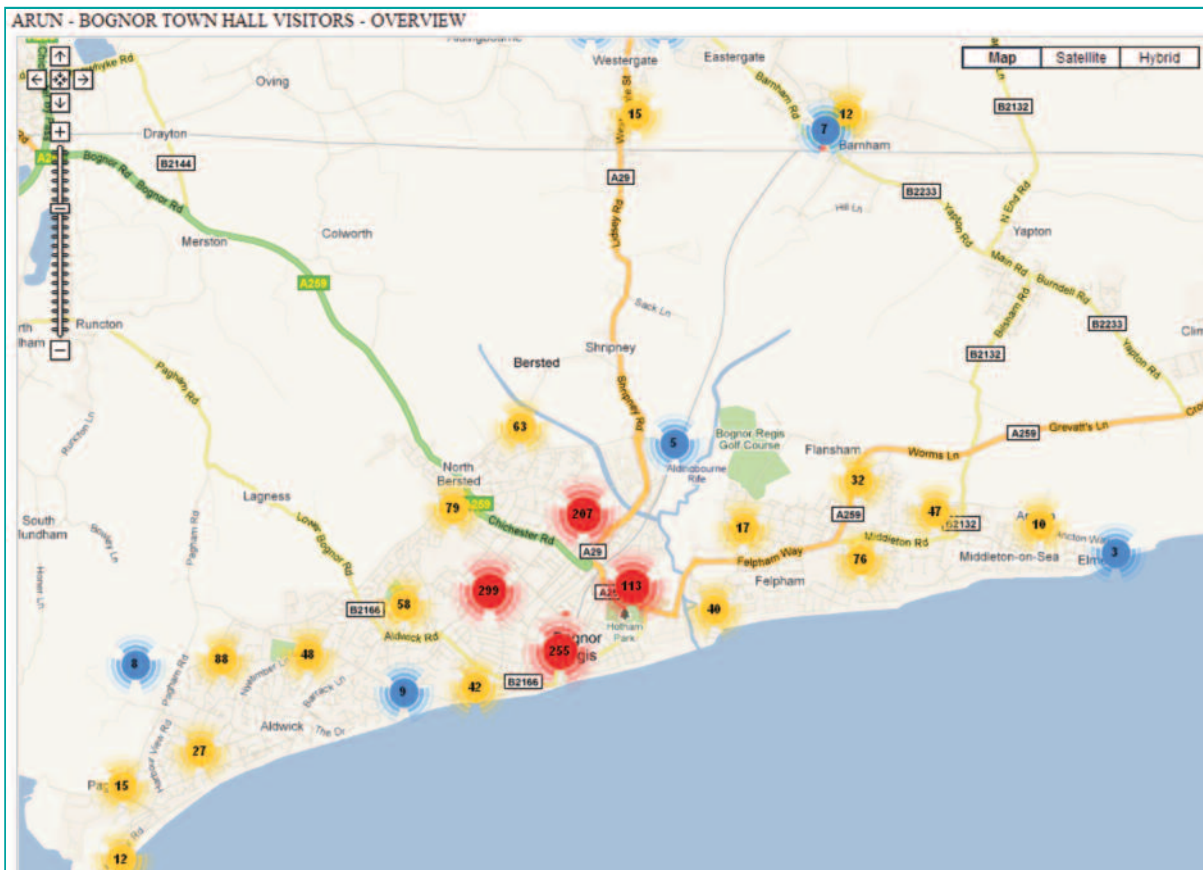
- Customer Journey Mapping.

Customer Journey Mapping originated in market research for the corporate sector. It aims to collect information about the sequences of interactions customers have with a service or group of services. It provides a map of the interactions and the corresponding emotion or satisfaction level that takes place, and can help inform an organisation of ways to improve customer experience.

Example of Journey Mapping[4]

MINISTRY OF JUSTICE EXAMPLE							
Objectives, scope & journey type	Track the process experienced by jurors to improve levels of service			Customer segment	Jurors		
Moments of truth	🔺		🔺	🔺			🔺
Key journey steps	Receive summons	Jury selection	In court pre-trial	In court – during trial	Deliberation	Delivery of verdict	Post trial
Customer Satisfaction Rating Great +100 -100 Poor	Receive letter – looking forward to it Easy to change date by email	Judge was 'professional' Slow selection process	Expenses 'a hassle' Late start most days	Judge thanks jury – much appreciated Trial was impersonal Only small amount of evidence useful	Locked in No preparation for delivering verdict	Finishing was a relief Victims family start to cry – 'lowest point'	Not sent information about sentencing
Levers for solution hunting	Comms: Manage expectations Channel: 24 hour access	Customer face: Explain delays Environment: Make the wait as painless as possible	Process: Simplify expenses system Look at time-keeping	Comms: Make jurors aware of role played by all the evidence	Environment: Provide adequate facilities Comms: Brief on verdict delivery	Customer face: Talk to jurors – stress the importance of what they've done	Comms: Ensure follow-up letter goes out re sentencing

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• In-depth qualitative interviewing, and focus groups.

Qualitative interview methods and structured focus groups can elicit much deeper and detailed understanding from customers on their needs and experiences to inform service design, and therefore asset strategies.

• Consultations, online interaction, and other contact with customers.

Data collected from consultation and more informal interaction methods, whilst not likely to be statistically representative of customer groups to allow meaningful quantitative analysis, can be useful ways of gathering operational feedback and some in-depth material to act as a hook into an issue, without incurring major research costs.

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4 Example from ESD Customer Journey Mapping Guide: http://www.google.co.uk/url?q=http://www.esd.org.uk/esdtoolkit/ Documents.ashx%3Fdoc%3DESD01589p%26agency%3D573&sa=U&ei=Vft0TY_WFsvwsgaXv_HtBw&ved=0CBMQFjAB&sig2=4m 4TjlRVs_tynK4E6OsPqA&usg=AFQjCNEzHu9Kpc1Sf7-BF4lPx2FKu8K3GA

In essence, public agencies need to make use of information relating to customer demand (or undertake work to gain such knowledge) as they begin to consider any rationalisation of publicly owned assets. There are many different approaches they can use with some more or less applicable to different stages of development of different scenarios. For example, high level mapping of key customer population groups might be most useful to compare with the broad asset profile in the early, more strategic stages of development, whereas more in-depth data and qualitative approaches might be more usefully deployed when specific plans are being considered. In many situations, involving citizens early on in the design of public service delivery might generate better solutions. Depending on the type and depth of information required, specialist analysts will often be a crucial resource to draw from (ie researchers, statisticians, geographers, location planners etc.)

In measuring customer demand, it is essential that approaches to information gathering, measurement and analysis are sensitive to the protected characteristics under equalities legislation[5]. Customer needs among such groups can vary widely.

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[5] The Equality Act 2010 provides a cross-cutting legislative framework to protect the rights of individuals and advance equality of opportunity for all. The protected characteristics are: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race religion or belief, sex; sexual orientation.

2. Approaches and issues to consider in capital and assets work

In an effort to ensure customers are not adversely affected by decisions about capital and assets, local areas can employ a number of different approaches. As a start they should ascertain some basic knowledge of the local asset portfolio before making decisions on their assets. A recognised risk, highlighted by the Capital and Assets Pathfinders, is that service delivery provision might be cut, based simply on asset attributes such as maintenance costs, value, or tenancy expiration without giving adequate consideration to the customer demand side of the equation.

Key questions

There are a number of key overarching questions that local areas should consider as part of any capital and assets work:

Footfall

- Which buildings/assets are used, and will continue to be used, by a sizeable number of residents? (eg a local authority one-stop shop)

- Which buildings/assets are rarely used by residents? Why?

Convenience and accessibility

- Which buildings/assets need to be in close proximity to particular groups of residents? (eg schools to parents and children, day care centres for elderly)

- Which buildings/assets are easily accessible for a large proportion of residents?

- Which buildings are only easily accessible to a few residents?

- For which services could you achieve 'digital delivery' and deliver them partially or wholly online? (Ipsos-MORI reported in 2010 that 66 per cent of British adults are prepared to renew a library book online but only 12 per cent have actually done so. Similarly, 70 per cent of adults are prepared to pay their local council tax or a parking fine online but only 24 per cent have done so)

- For which services is it necessary to provide 'face-to-face' opportunities for residents?

Perceptions of local residents

- Which buildings/assets do residents perceive to be important to them? (eg a hospital, perhaps a police station)

- Which buildings do residents perceive negatively and why? (eg unpleasant environment, difficult to access, poor reputation)

Predicting future needs

- For which services do you envisage provision changing markedly in the next ten years due to population projections/demographic forecasts/lifestyle changes/ technology developments?

- Which services could feasibly be merged with others to benefit both customer and deliverers?

- Are there services that are totally incompatible with others or need to be handled separately?

Where strategic decisions by a local area might conflict with the initial desires of residents, the area will need to be transparent with evidence, justify decisions, and explain how it will continue to maintain service quality through, say, less buildings.

Local examples

There are innumerable examples of local areas working to gain 'customer insight' of their service users. A short selection is highlighted below as an illustration of the approaches one can take.

Researching customer needs

In 2008, IDeA (now Local Government Improvement and Development) reported that at the beginning of their customer service transformation programme, the London Borough of Camden carried out comprehensive research into customer needs and preferences drawing on the following sources of insight:

- discussions with front line staff

- open staff sessions

- commercial data (Mosaic produced by Experian)

- satisfaction surveys

- review of complaints and compliments

- customer relations management system data

- focus groups with residents and service users

- service databases eg Council Tax, Benefits, Adult Social Care, Children's Social Care

- partner agencies eg Police, Health

- Office for National Statistics.

Details can be seen at: http://www.idea.gov.uk/idk/aio/8341236

Local Government Improvement and Development produced a report 'Customer insight: through a Total Place lens' which looked specifically at how these pilots used customer insight techniques to support their themed work.

Details can be found at: http://www.idea.gov.uk/idk/aio/19829734

Local Government Improvement and Development have also established an online community of practice for customer insight where funded projects have shared their work via online conferences, case studies and other reports and documents.

Details can be found at: http://www.communities.idea.gov.uk/c/643937/home.do

Planning accessibility

It is essential that local areas and agencies consider the accessibility of their services. Examples of how this has been done include:

The Prince's Foundation for the Built Environment has established a process for healthcare asset planning (Planning Healthcare and Infrastructure) which integrates care service design (including customer demand), estate planning and investment, and accessibility. They carried out workshops with the key healthcare providers in case study local areas to interactively design asset location scenarios.

Further information on Planning Healthcare and Infrastructure can be requested from: enquiry@princes-foundation.org

Widening the use of services in existing buildings – for example in libraries

A report in The Local Government Chronicle (29 July 2010) sets out plans to turn public libraries into access points for a variety of services and describe the Local Government Association and Museums, Libraries and Archives Council's Library Support Programme, discussing different approaches that can be taken. The report suggested that the principal means of facilitating improvement will be peer review and sharing good practice. The report describes how Kent County Council has used co-location to incorporate other services into their libraries and describe Buckinghamshire County Council's community libraries. For the full citation, read: *Culture: the future of libraries*, in Local Government Chronicle, 29 July 2010, pp16-19 (author: James Illman *et al*).

One of the Capital and Asset Pathfinders, Hull has been developing a 'Library Plus' co-location project. Customer insight information has been fundamental to Hull's work on this rationalisation programme. It has allowed the local authority to understand the relationships between the customer's locations, needs and attitudes and the geographic locations of buildings and services they provide. Whilst at an early stage Hull's 'Library Plus' project hopes to merge customer service access points and libraries in order to reduce 20 buildings, yet improving accessibility to wider customer groups for both customer service and library provision.

The project also hopes to bring in partner services as part of the 'plus' element of the new sites, as based on the evidence collected within the customer profiling work. Hull can begin to identify the needs of the local community around each new site and offer a unique set of services based upon customer need.

The map (Figure 3) shows the new proposed sites, overlaid with ten unique customer groups to Hull. Hull's customer insight hub is based on a deep understanding of these ten groups in terms of their demographics, needs, wants and behaviours.

Figure 3: Kingston-upon-Hull customer profiles with library catchment areas

Considering rural issues

A report from Scotland neatly summarises the findings of research into rural community facilities north of the border. It looks at the current position and condition of rural community facilities and assesses the level and nature of these community hubs. The report briefly describes rural community facilities and background to the project and summarises the main findings in relation to: the condition and maintenance of the buildings; ownership; management and governance; user populations; and facility uses. The report identifies a number of recurrent themes in relation to sharing of best practice, rural community facilities as public service venues, location, buildings investment, and advice and support and suggests that these may have implications for policy and practice.

Further details can be seen at:
http://www.scotland.gov.uk/Resource/Doc/253868/0075221.pdf

Delivering improved customer experiences

Merging services, widening service provision from existing buildings, improving the suitability of buildings etc. can contribute to improvements in the services provided for local residents. An example where services do seem to have been positively transformed is the Sunderland Customer Service Centre at Bunny Hill which brings business, voluntary and public sector organisations together to pioneer a new model of service provision. The council adopted a 'community leadership' role and worked with a range of public agencies to provide the widest possible array of services to the local community. The co-location of related services has led to better partnership working and to services clustered in a way that 'makes sense' to the customer. Focus was placed on customer experience, partnership working and the public value of investment but enablers and barriers to building capacity were examined and next steps have been set out.

The results have been positive, for example in a recent Customer Satisfaction Survey, 92 per cent of customers were very satisfied with the services they received. One benefit customers identified is that the multiple services available save on journey times. Customer feedback also indicates highly positive attitudes towards the new GP practice. Usage of library services at the centre has doubled across all age ranges compared to the two libraries it replaced and hours have been extended in line with other partner services.

For further details please see:
http://www.idea.gov.uk/idk/core/page.do?pageId=6440795

Local areas should also consider the suitability of their public sector buildings for the delivery of services. The key criteria to be taken account of when assessing and categorising buildings include: location, external areas, accessibility, internal spaces, building facilities, environmental services, ICT infrastructure, security and safety. By considering 'suitability for the customer' as an element of asset management, local areas will get a clearer picture of those buildings that are more convenient and have more potential for service delivery to residents.

Further information on individual case studies of promising practice where customer demand is concerned can be found from the following links:

• Local Government Improvement and Development (formerly IDeA) web pages on customer insight: http://www.idea.gov.uk/idk/core/page.do?pageId=8998865, and this overview paper http://www.idea.gov.uk/idk/aio/9190956

• Front Office Shared Services project
http://www.idea.gov.uk/idk/core/page.do?pageId=6440077

• Communities of practice
http://www.communities.idea.gov.uk/comm/landing-home.do?id=7146345.

The site acts as the hub for sharing learning from the Pathfinders and discussing issues that arise during the project.

- ESD Toolkit on customer insight
  http://www.esd.org.uk/esd4you/getdoc/4fc4a65c-8c30-45e8-b255-c70d52d774b0/Customer_insight.aspx

ESD stands for Effective Service Delivery and their website incorporates various different tools which help local authorities from the UK deliver services to residents more effectively. They have a section dedicated to customer insight.

- East Midlands Customer Insight and Research Project
  http://www.eastmidlandsiep.gov.uk/business-transformation-customer-insight/

This project, led by East Midlands Improvement and Efficiency Partnership, aims to ensure that customer insight and research resources and expertise are developed, shared and deployed effectively across the East Midlands. Four demonstration projects are underway across the region. They will use statistical analysis, social research and customer insight methods to investigate different aspects of getting 16 to 18 year olds into employment, education or training.

- Customer insight at West Midlands Improvement and Efficiency Partnership
  http://www.westmidlandsiep.gov.uk/index.php?page=374

This project demonstrates how seven councils in the West Midlands region have enhanced their ability to better understand the needs of their citizens through the use of customer insight. The project, commissioned in 2007 utilising Capacity Building Funds, aimed to improve the management of performance, develop an approach to the more effective use of customer and citizen intelligence, and generate more informed decision making by elected members and senior officers.

- Cabinet Office Customer Service Excellence
 http://www.cse.cabinetoffice.gov.uk/homeCSE.do?

The Government wants public services for all that are efficient, effective, excellent, equitable and empowering – with the citizen at the heart of public service provision. With this in mind Customer Service Excellence was developed to offer public services a practical tool for driving customer-focused change within their organisation.

3. Selection of pathfinder approaches

As part of the capital and assets pathfinder project, Hampshire has fed in customer intelligence based on:

- Experian's UK modelling of propensities by Mosaic Group for face-to-face contact (most used across all projects related to customer access) and also telephone and internet contact. This helped model best-fit locations for face-to-face service delivery.

Figure 3: Hampshire customer map

'hot' High demand for face to face contact

'not' Low demand for face to face contact

● Service delivery point
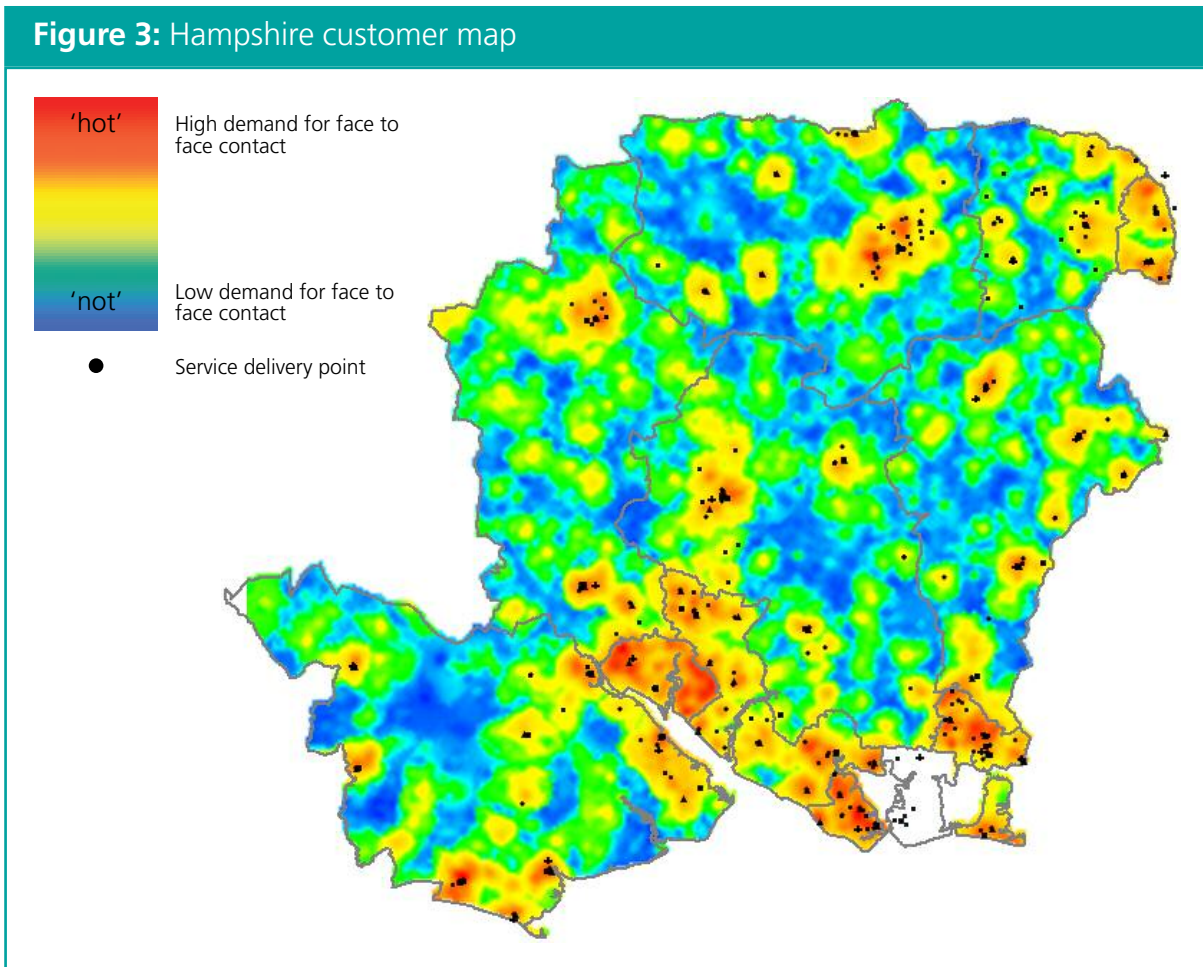
- Mosaic profiling with local datasets by Hampshire's Customer Insight Partnership, in particular council tax and housing benefit recipients (indicative of demand for lower-tier services) and Blue Badge holders (selected from over 60's library users and card holders, the Hampshire Now magazine over 65's distribution list and Adult Services provisions as representative of services for older persons and those with physical disabilities).

Further work will involve use of Place Survey responses and users of libraries, schools (school-age children), green waste collection services and leisure services (selected districts), together with users of Hampshire's Citizen's Advice Bureaux (though not at a detailed level). To these will be added datasets from the emergency services (crime/anti-social behaviour and fire and rescue incidents) and, it is hoped, health.

Also recognising that demand is driven not just by where people live but also by where they are during the day, alternative views of demand might be based on workplace/daytime populations and on commercially-sourced retail catchment areas. And in order to provide a strategic view, forecasts of Mosaic-based customer demand up to 2018 will be developed in conjunction with the county's demography team.

While existing customer insight partners plan to continue using Experian's Mosaic segmentation until March 2013, work has commenced on developing a more sustainable approach based on the open source Output Area Classification from the Office of National Statistics. It is anticipated that this will facilitate the involvement of remaining Hampshire authorities, other public service providers including health and voluntary sector partners.

Recognising the ongoing value of the work carried out to date, a research and intelligence team is to be set up within Hampshire County Council's reorganised Environment Department. It will offer customer insight and access planning support both internally and to external organisations involved in delivering public sector services across Hampshire.

The Worcestershire 'Community Model' is an approach developed through the Capital and Assets Pathfinder that will be used in the county to link the assessment of community need – using data available through the Indices of Deprivation, ACORN, and the Joint Strategic Needs Assessment – with service re-design from fewer buildings. The model will involve local communities to determine where services are delivered, what services are delivered and by whom, at a reduced cost.

A Steering Group will be set up in each community model area (for example a small town) tasked with:

- identifying quick wins

- identifying community need

- ensuring local community is involved

- identifying barriers

- taking account of community 'wants'.

It is intended that local communities will be involved in designing and in some cases, delivering services. Pooling resources will result in shared, redesigned services focusing on local need and savings will come in several areas:

- removing duplication of service provision

- integrating staff and roles

- reducing back office functions from specialist staff

- reduction or removal of services where appropriate.

Durham identified consultations that had already taken place (eg residents' survey etc) to avoid duplication and extracted relevant information to feed into their pathfinder work. They undertook consultations with residents, shoppers, visitors, businesses, and children and young people and found a number of recurring themes. These included identifying areas which should be redeveloped as they are perceived to be run down – 'dirty and drab' – and were not areas of Durham City that people wanted to visit. They also established that the views of children and young people needed further work. They set up three focus group workshop days with children and young people across age group ranges and provided these workshops with questions about the pathfinder area for them to give their views. Feedback reports after the event were written by the children and young people, with the information obtained being fed into the pathfinder work to inform the Durham Long Term Strategy.

In Cambridgeshire the 'Making Assets Count' project aims to drive value from the careful management of public service assets. The core goals for this project are:

- delivering a more joined-up approach to service delivery – central and local government working with community and voluntary sectors

- rationalising/consolidating property estate and revenue savings

- better utilisation of existing and partner property assets

- increased use of the smaller residual property assets by communities and customers

- a greener residual public sector estate

- releasing the value of the public sector estate to meet community needs.

This project will operate in-tandem with two other local intelligence and customer demand projects. The first of these is the development of a Local Intelligence Portal in partnership with the NHS to combine resources through the Joint Strategic Needs Assessment. This will concentrate initially on need based information with the aim of assisting in the redesign of service delivery and developing new ways of working with data in partnership. The second of the projects is to build on the customer insight work already completed to develop customer personas[6] to assist in transforming how services meet customer demands. The use of internal expertise with a combination of data transformation using open and freely available data sources with locally held customer/consultation data is key to this project. These customer segmentation personas will be used to inform the Making Assets Count project and help to assist in the prioritisation of local resources and services with those of most need.

In Hackney, extensive work has been undertaken in partnership with key service providers in mapping and assessing customer demand for local services. The work identified a number of opportunities – including co-location of partner public sector organisations in a new Hackney Service Centre, reviewed best practice in face-to-face delivery of services, and used segmented customer analysis to identify where face-to-face services would be best located. The customer segmentation showed a distinct need for further service provision in the north of the borough and Hackney is identifying the most effective response to this finding. The research also identified partner concerns. These included the difficulty of co-locating services in the Primary Care Trust's new polyclinics and the inappropriateness of co-locating services in schools from a child safety point of view.

[6] Customer personas are fictitious customer types, whose generalised traits and requirements can be used to explore test against service delivery via journey mapping etc.

4. Comparators/minimum service standards/established local priorities

In terms of reconfiguring how local service provision might be re-designed, local areas should consider any national or local service standards already in place that could impact on where a service might best be relocated. These include:

Local and national minimum standards and priorities

Ambulance Service – All NHS ambulance services must respond to 75 per cent of Category A emergency calls (the most serious and life threatening) within eight minutes. Within 19 minutes, 95 per cent of all Category B calls must be responded to. Category A calls can include patients having a heart attack, experiencing severe breathing difficulties, or serious road accident victims. See: http://www.emas.nhs.uk/about-us/

These standards should have an impact on decision making where local assets involving ambulance stations are concerned.

Also in relation to health services, local areas should bear in mind the local priorities set out in Joint Strategic Needs Assessments. Joint Strategic Needs Assessments are the means by which Primary Care Trusts and local authorities describe the future health, care, and well-being needs of local populations and the strategic direction of service delivery to meet those needs. Joint Strategic Needs Assessments will take account of residents' views on existing interventions, and define evidence-based inequalities between the differing, and overlapping communities in local areas. From 2011-12, GP consortia will start to engage in this work too.

A local Joint Strategic Needs Assessment might, for example, express how a particular neighbourhood is likely to see a dramatic increase in the number of older people expected to be supported to remain in their homes for longer. This will have implications for emergency hospital services and home care services. Any asset rationalisation plans should seriously bear this sort of message in mind and not contradict the Joint Strategic Needs Assessment.

In Wales, there are Service Standards for Attendance to Fires in the Home http://www.mawwfire.gov.uk/documents/documents/rrp/wfrsc_0806_servicestandards.pdf

This Service Standard aims to provide 80 per cent of Welsh homes with an attendance to a fire in the home within 10 minutes. The Service Standard also recognises that as a result of local population numbers, population density and population types some areas will attract a five minute attendance to a fire in the home.

This standard does not apply in England but locally-determined priorities will be set out in all Fire and Rescue Authorities' Integrated Risk Management Plans. Again, these priorities might have an impact on local decision making. For example, a local Integrated Risk Management Plan might express the need for a fire station to be near a major road/motorway or a neighbourhood where domestic fires are disproportionately common. Any asset rationalisation plans should seriously bear this in mind and not contradict the messages set out in the Integrated Risk Management Plan.

Comparators of service provision – quantitative

A local area may wish to compare itself against others that have similar demographics, levels of deprivation, educational attainment etc. Some research has been conducted on comparators of service provision and this includes:

Secondary school sizes – Research by Evidence for Policy and Practice Information and Co-ordinating Centre found that for those aged 11-16, after a school size reached 1,200 pupils, performance started to suffer, for 11-18 year olds, the figure was 1,500. http://eppi.ioe.ac.uk/EPPIWebContent/reel/review_groups/School_size/s_s_rv1.pdf

There are several classifications that group local authorities into 'statistical neighbours' to facilitate closer 'like for like' comparison (eg CIPFA Nearest Neighbours, Community Disorder Reduction Partnership family Statistical Groups, the Department for Education's Statistical Neighbours Benchmarking tool). http://www.data4nr.net/resources/geographies—benchmarking/

The Department for Transport routinely produces accessibility statistics, as part of this release they also produce location data for a number of key services. These services have been summed and presented below as rates of the appropriate populations to give an average population per service for England. The data could be further broken down for example to provide averages for the different regions, urban/rural, area classifications etc.

Table 1: Average populations per service; England; 2008	
Service Type	Average population per service
Primary schools (5-11 year olds population)	247
Secondary schools (11-16 year olds population)	1,160
Further Education Institutions (16-18 year olds population)	611
GP surgeries (total population)	6,189
Hospitals (total population)	48,735
Dentists (2006)	6,461

*sources: derived from DfT Service destinations statistics and ONS MY population estimates 2008 and 2006.

Comparators of service provision – qualitative

The Department for Works and Pensions has a customer charter *'We will make sure you can contact us in ways that are simple and easy to understand. We will tell you about other services that may help you.'*

• http://www.dwp.gov.uk/docs/customer-charter-dwp.pdf

Adult social care – Care Quality Commission essential standards simply states: *'People are kept safe, and their health and welfare needs are met, because there are sufficient numbers of the right staff.'*

• http://www.cqc.org.uk/_db/_documents/Quick_guide_to_the_essential_standards.doc

A Ministry of Justice consultation paper states: *'Court users should not have to make excessively long or difficult journeys to attend court, but geographical proximity for all court users should not be the sole (or even primary) concern. Providing people with appropriate access to justice does not necessarily mean providing a courthouse in every town or city. The speed of case outcome, the quality and efficiency of the service we provide, and an environment which commands respect for the justice system and the safety and comfort of court users, are much more significant to the delivery of effective local justice across all communities in England and Wales.'*

• http://www.justice.gov.uk/consultations/docs/proposal-on-the-provision-of-courts-services-cleveland-durham-northumbria-finala.pdf

5. Analysis tools

There are a wide range of data and tools often freely available to help build understanding of customers. There are also a wide range of organisations that have expertise in this area. A selection of these is given below.

Housing and Communities Agency's SIGnet – https://signet.hca-online.org.uk

SIGnet currently allows users to gain access to free basic Geographic Information System functions such as thematic mapping, user selectable data layering etc. On top of this, public asset data collected as part of the Capital Assets Pathfinder project can be (and in some areas already has been) mapped and displayed via this interface, which allows users to then combine these data with many other data sources (for instance about the resident population, house prices, deprivation etc.) and share with other partners. Example screenshots below show some of this functionality:

Figure 4: Wigan's council owned land (highlighted in yellow)
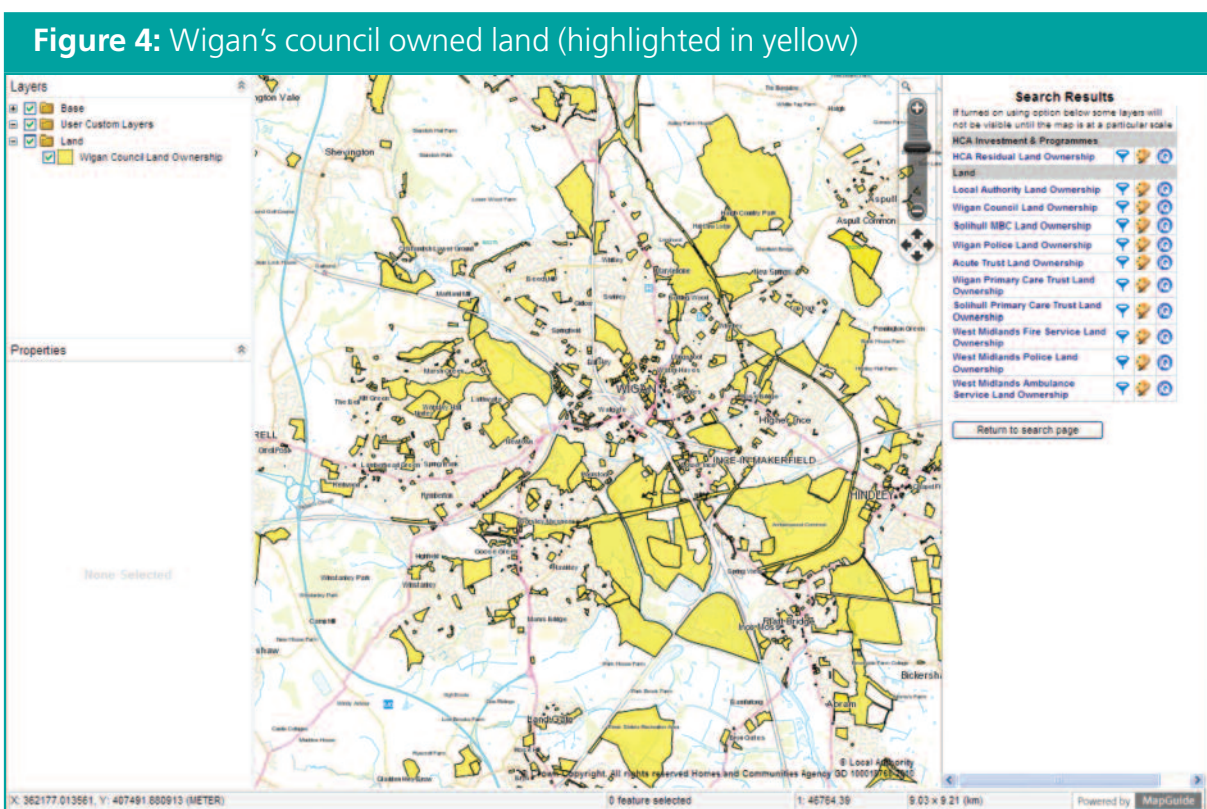
Figure 5: Ability to select parcel of land/building (highlighted blue) and define a buffer area (in this case 1km) around that item
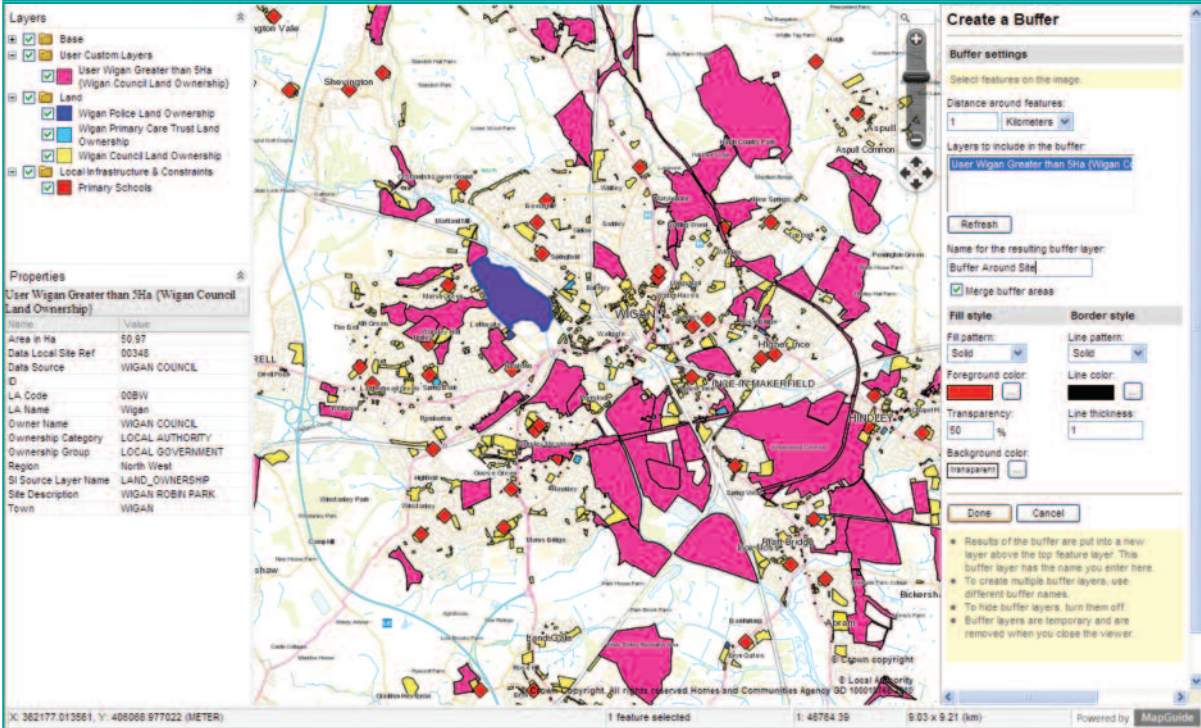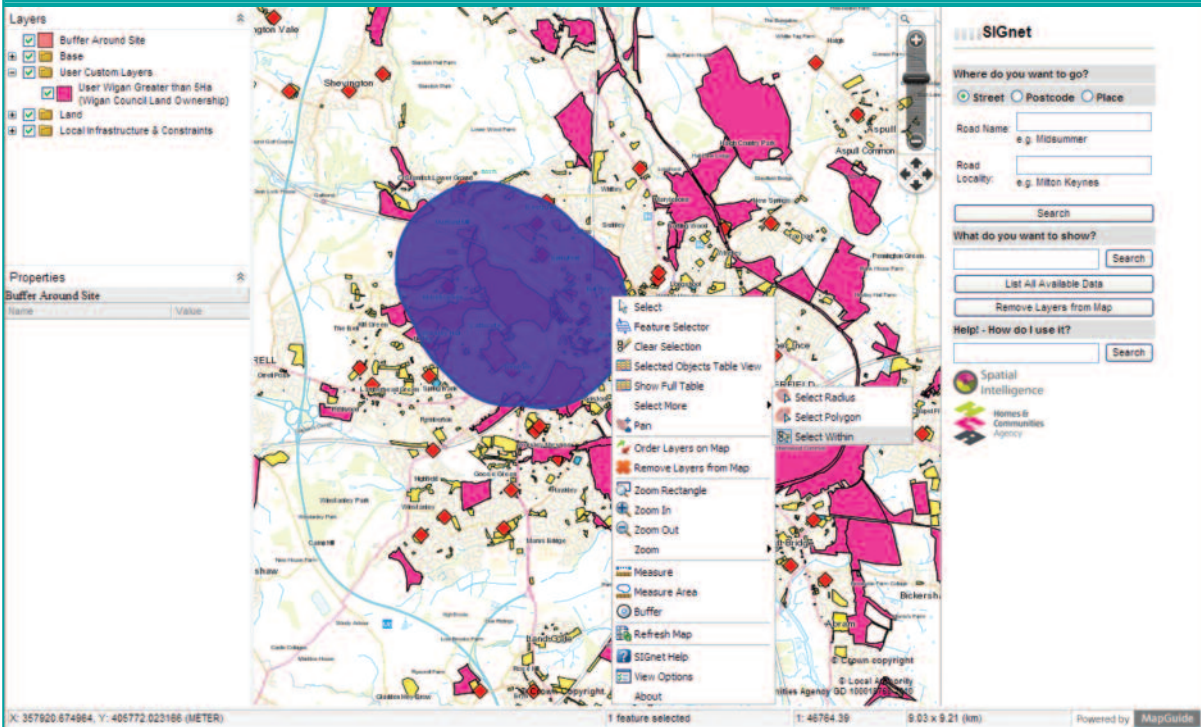

Figure 6: 1km buffer area represented on this map

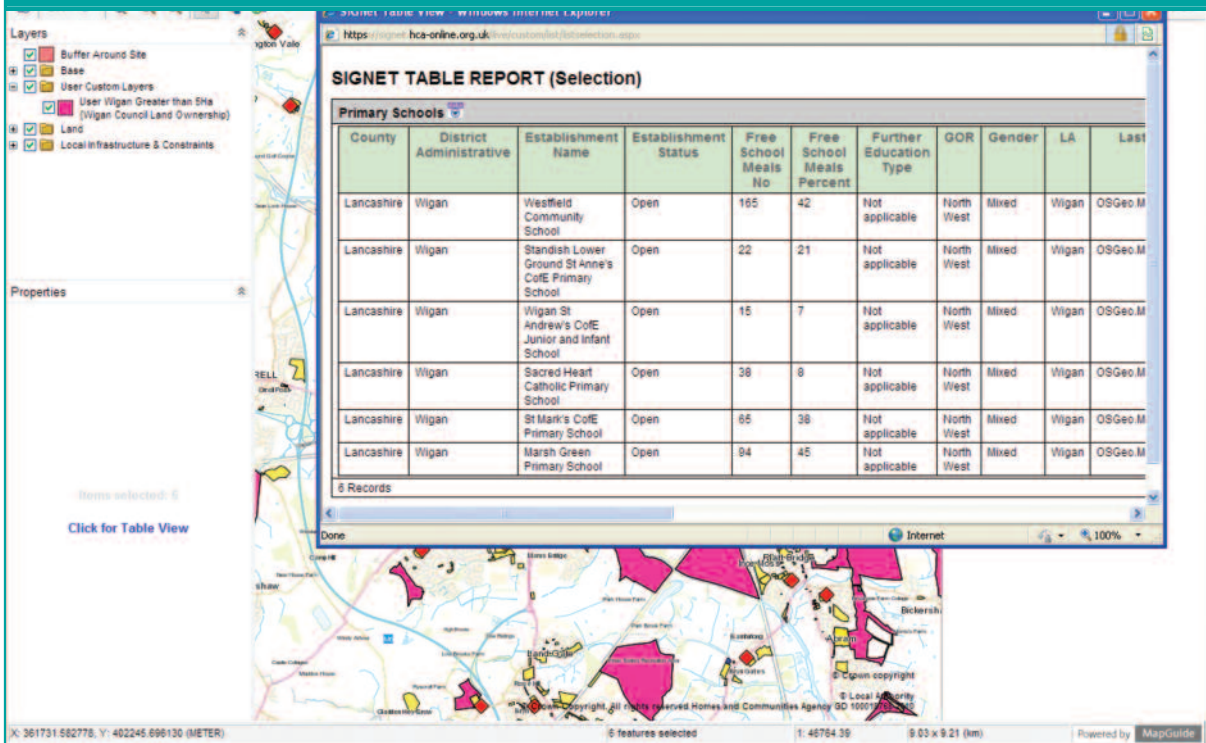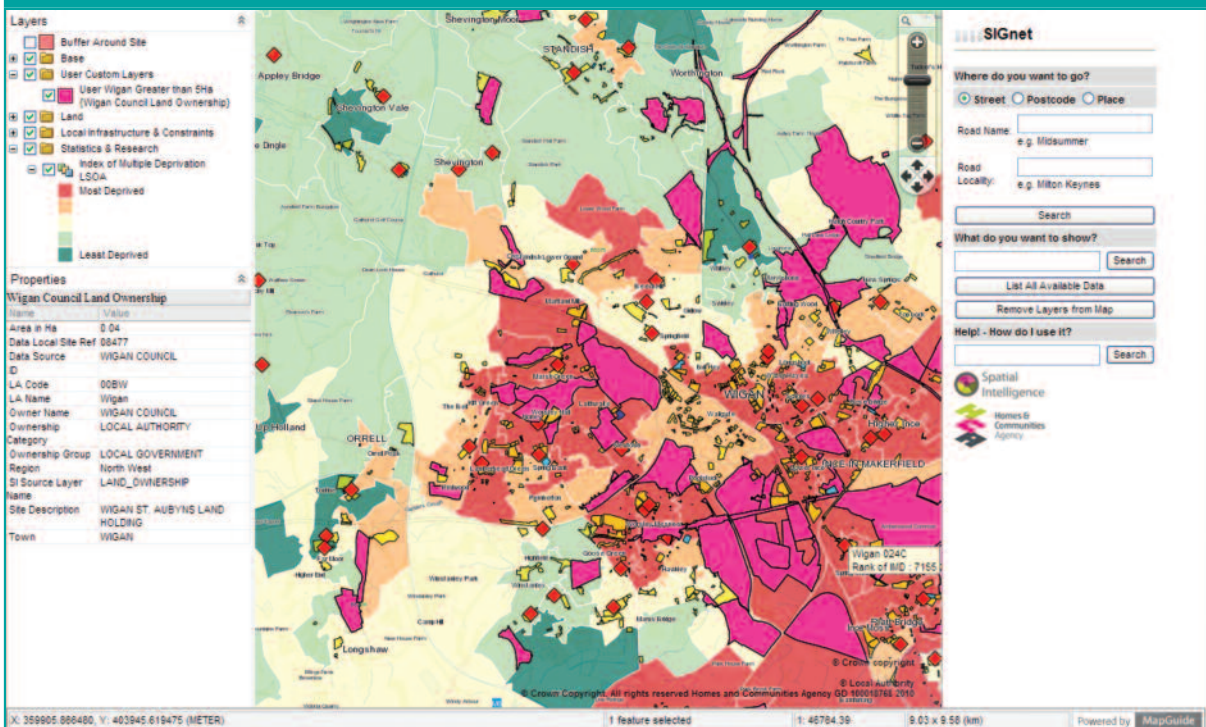**Figure 7:** Possible to then create report table of all buildings within that buffer

Figure 8: In addition, key customer groups can be thematically mapped alongside (Quintiles from the Index of Multiple Deprivation in pastel colours in this example)


By comparing the needs of a population with the existing asset base, one can tailor asset-related decision making more closely to the requirements of the customer.

Accession – http://basemap.co.uk/products/accession.aspx

Accession is a Geographic Information System that allows users to explore access times via road or public transport to any given point (or combination of points) in the UK. It primarily produces heat contour maps of journey times, and offers this segmented by key demographic groups. Most local authorities have already paid for a license to use accession but its use is often restricted to transport planning. However, it also has great potential as a Geographic Information System tool to inform capital and assets work, and to allow decision makers to see the impact of decisions on accessibility to services. The two figures below aim to illustrate this.

Figure 9: Accession (1)

This is the current situation in a local authority for accessibility of libraries (white indicates further than 30 minutes away from a library by any mode of transport but these areas tend to be unpopulated. 100 per cent of residents can access a library within 30 minutes).
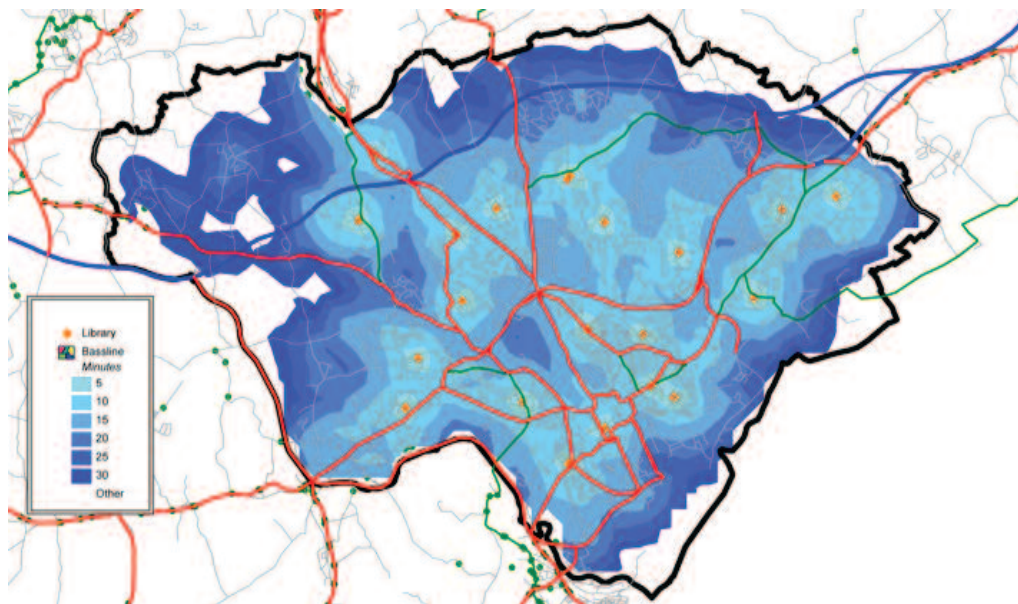
> **Figure 10:** Accession (2)
>
> **This map shows how accessibility changes if you close the five most inaccessible libraries in the city.**
>
> • Compare with the previous slide and the changes are noticeable. But 99 per cent of the population can still access a library within 30 minutes. 1 per cent/about 3,000 residents cannot. It is for local decision makers to determine whether this new situation is acceptable.
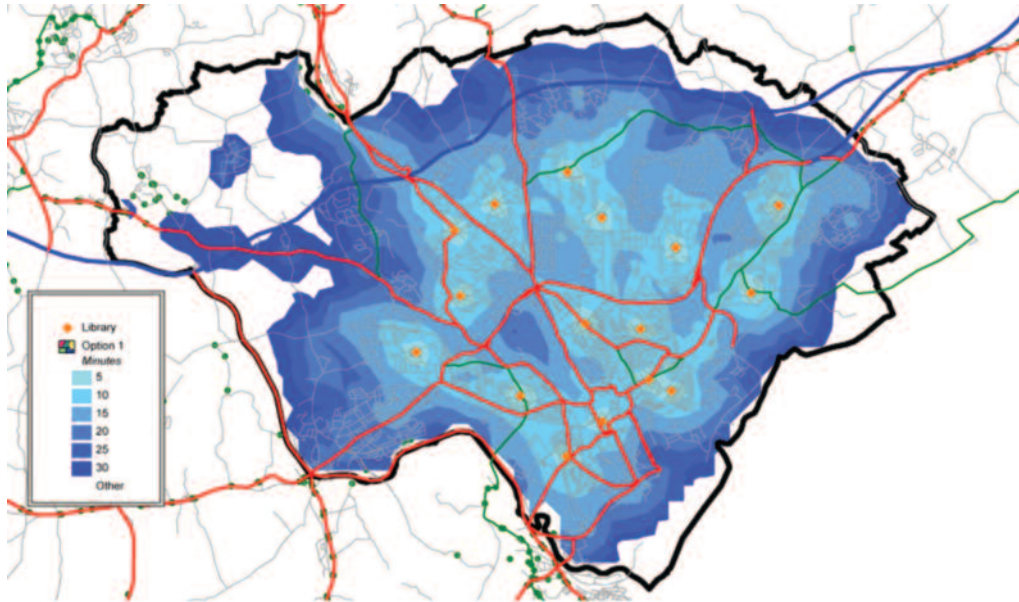
Specialist Geographic Information System software systems for spatial analysis and mapping can be procured. Perhaps the two most widely used in the public sector are Mapinfo and arcGIS.

(Mapinfo http://www.pbinsight.com/products/location-intelligence/, arcGIS http://www.esri.com/software/arcgis/index.html etc.)

- Mosaic[7] http://www.experian.co.uk/business-strategies/mosaic-uk-2009.html Combines Census, Experian credit data, and other sources to model the population into groups or segmentations. Primarily used as marketing tool for business, increasingly used by public sector organisations.

- Acorn[7] http://www.caci.co.uk/acorn-classification.aspx Demographic classification product. A geodemographic segmentation of the UK's population which segments small neighbourhoods, postcodes, or consumer households into five categories, 17 groups and 56 types.

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[7] These are commercial products not officially endorsed by DCLG over and above any competitors, both Acorn and Mosaic systems are currently the two best established commercial data segmentation systems in the UK.

- Output Area Classification
  http://www.sasi.group.shef.ac.uk/area_classification/index.html
  The 2001 Area Classification of output areas is used to group together geographic areas according to key characteristics common to the population in that grouping. These groupings are called clusters, and are derived using 2001 population census data. This is a free classification produced by the Office for National Statistics in conjunction with Sheffield University similar to the Mosaic or Acorn products.

- Neighbourhood Statistics – http://neighbourhood.statistics.gov.uk/
  A vast range of official and other small area socio-economic statistics. The focus of the site is on numbers for areas smaller than local authorities. The main themes covered are Census, Access to Services, Community Well-being/Social Environment, Crime and Safety, Economic Deprivation, Education, Skills and Training, Health and Care, Housing, Indices of Deprivation and Classification, Income and Lifestyles, Population and Migration, Physical Environment, Work Deprivation.

- Indices of Deprivation[8]
  http://webarchive.nationalarchives.gov.uk/+/http://www.communities.gov.uk/communities/neighbourhoodrenewal/deprivation/deprivation07/
  Ranks and scores for Lower Super Output Areas in England based on several key socio-economic measures: Income, Employment, Health Deprivation and Disability, Education Skills and Training, Barriers to Housing and Services, Crime, and, Living Environment. Allows localities to identify concentrations of deprivation relative to the rest of England overall.

- Data4NR – http://www.data4nr.net/
  Serves as a thorough data catalogue for local authority and smaller area statistics, searchable by theme, geography, date or other key attributes.

- DataViz – http://www.improving-visualisation.org/
  Outlines the principals of good data visualisation, including case studies and a vast repository of visualisation examples.

- Improvement and Efficiency West Midlands Partnership with Birmingham City Council – Have published an analysis and commercial review of geodemographic classifications within the West Midlands.
  The main report: http://www.westmidlandsiep.gov.uk/download.php?did=2583
  Top tips: http://www.westmidlandsiep.gov.uk/download.php?did=2575

Some areas have developed their own bespoke data segmentations based on local data sources. Hull for example found commercial products (mosaic, acorn etc.) to be difficult to afford at this time, and found Office for National Statistics' Output Area Classification to not be fine-tuned enough to reflect their customer base. Therefore their in house analysts put together their own version using only freely available census data, to create 10 unique customer clusters at output area level. The figure below shows their groupings mapped at output area level across the authority.

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[8] Please note Indices of Deprivation 2011 will be released on the 24 March 2011.

Figure 11: Kingston-upon-Hull customer groupings
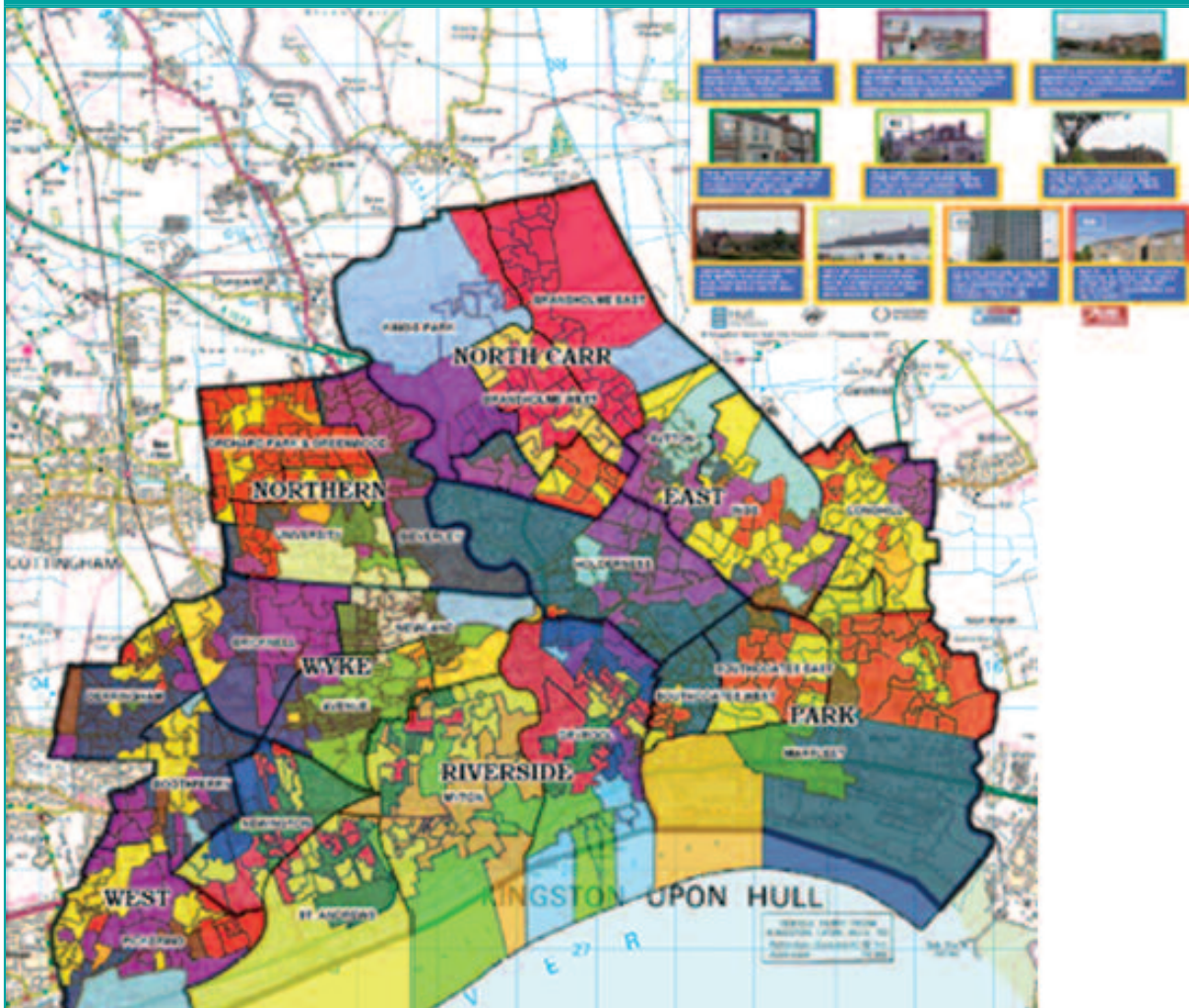
Hull has found having a classification system in place enables a range of other local data sources to be matched to the customer groups. As their classification system works from post code, any post coded data can be attached. Hull have appended two years of customer relations management data (1.9 million records) and looked at how service requests differ by each of the 10 groups. They also matched two years of their citizen panel survey data to the groups to look at how attitudinal differences drive behaviour. More recently have looked at which customer groups are most vulnerable to certain crime types.

6. Data sharing[9]

A place approach applied to capital and assets planning will most likely benefit from the sharing of some streams of customer data held by partners. Guidance on how to do this within the parameters of existing legislation and without infringing on the rights of individuals has been produced by various local and national public organisations. Local Government Improvement and Development's summary of the key issues is reproduced below with further links to more detailed papers and resources.

Exchanging and sharing data has become an integral part of local strategic partnership working, and has proven to be extremely beneficial in many examples. The Data Protection Act 1988 sets out eight principals for the defence of personal information rights of individuals. Within these rules, it is possible to do more than is sometimes assumed, as long as key principles – including transparency and consent – are followed. People need to know how the data about them will be used and must give their consent.

Underlying the Data Protection Act 1988 are eight data protection principles. These require personal information to be:

- fairly and lawfully processed

- processed for limited purposes

- adequate, relevant and not excessive

- accurate

- not kept longer than necessary

- processed in accordance with citizen rights

- secure

- not transferred abroad without adequate protection.

Many aspects of Government policy have encouraged data sharing as a route to greater efficiency, more seamless services for citizens, and avoidance of high-profile service failures such as those experienced in the child protection field.

The Information Commissioner's Office published a detailed guide to information sharing, which explains the steps that agencies need to take when they have identified a need to exchange or share data.

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[9] Edited from Local Government Improvement and Development website: http://www.idea.gov.uk/idk/core/page.do?pageId=15494768

Further links:

- Making sense of Information Sharing Protocols – case study on the Partnerships and Places Library
  (http://www.idea.gov.uk/idk/core/page.do?pageId=10340466&aspect=full#contents-1)

- Creating strong, safe and prosperous communities – on the DCLG website
  (http://www.communities.gov.uk/publications/localgovernment/strongsafeprosperous)

- Information Commissioner's Office – the UK's independent public body to promote access to official information and to protect personal information
  (http://www.ico.gov.uk/)

- In the know – Using Information to make better decisions – Audit Commission 2008
  (http://www.audit-commission.gov.uk/nationalstudies/localgov/Pages/intheknow.aspx)

- Department for Work and Pensions guidance on data sharing to tackle worklessness – aims to help local partners that are considering requesting data from the Department for Work and Pensions and Jobcentre Plus to think through the information they need, and to understand the process of acquiring data.
  (http://media.education.gov.uk/assets/files/pdf/d/data%20sharing%20to%20tackle%20worklessness.pdf)

- Department for Work and Pensions guidance for local authorities on the use of social security data – aims to help local authorities decide whether they can re-use customer data, obtained for the purpose of administering social security benefits, to help improve delivery of other locally-managed services and benefits.
  (http://media.education.gov.uk/assets/files/pdf/g/guidance%20for%20local%20authorities%20on%20the%20use%20of%20social%20security%20data.pdf)

- Research on the costs and benefits of personal data sharing at local partnership level – Guide to data sharing Data Protection Act 1988 on the Communities and Local Government website.
  (http://www.communities.gov.uk/publications/communities/personaldatasharing)

- Local Government Improvement and Development recently hosted an online discussion on issues around customer insight sharing data on the Customer Insight community of practice. A number of councils shared their experiences, how some of them managed to work around these issues and how this impacted on their work. More details available here – http://www.communities.idea.gov.uk/c/643937/home.do

7. Lessons from the private sector

Location planning in some parts of the private sector has developed significantly over recent years, especially in retail. Asset location can be a critical element in many commercial enterprises, with competitive market forces strongly incentivising them to improve and sharpen their asset location methods and techniques. The public sector, in general lacks these market forces, but could learn much from the private sector approaches to customer driven delivery.

A recent study by Reynolds and Wood (2010)[10] found location planning teams mostly to be small, but the vast majority of new site assessment techniques had increased in use over the last decade, reflecting a greater reliance on data and analysis to inform decision making alongside the traditional use of experience and intuition.

Retail businesses tended to be more focused on two or three tried and tested techniques[11], whereas financial services companies were more likely to use a wider range[12]. Less developed were the sectors' management of existing assets for refurbishments and extensions etc. The authors anticipated this to be an area of greater focus in the future as they felt new store developments would slow down.

Key considerations for location planning

(Compiled in consultation with Dr Steve Scholey from Hampshire's Customer Insight Partnership, drawing on his experience in the private sector and lessons from leading retailers).

Although location planning can be seen as an 'art', it is important to add the 'science' when considering how to develop a network of customer-facing locations that delivers value-for-money from (often expensive) physical space. While retailers commonly measure asset performance in terms of monetary sales per square foot, a public sector equivalent might be cost per customer. So an expensive but hard-working asset might be preferable to one that is cheaper but less well used by customers.

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[10] Location decision making in retail firms: evolution and challenge. Reynolds, J and Wood, S; International Journal of Retail & Distribution Management, 2010.
[11] Analogue, multiple regression and gravity modelling techniques.
[12] Checklist, analogue, ratio and multiple regression approaches, as well as expert systems.

We would do well to learn from a leading supermarket chain, widely acknowledged as leading exponents of location planning, who advise:

- A customer-centric approach – it is important to understand customers needs and behaviours, particularly in the public sector through knowledge from front office staff and from surveys but perhaps also from use of a customer segmentation such as the Output Area Classification (free to use from the Office for National Statistics) or Experian's Mosaic

- In-depth, local research – for a retailer expanding into unfamiliar territory this may take several years, though local authorities should have a head start!

- Flexibility to consider a range of scenarios, including both existing and potential locations.

Location planning – top ten 'ingredients for success' (adapted from Tesco's site research team)

Organisation

1. Have support from the top…

2. … but maintain independence.

3. Gain credibility early – get a track record of success and communicate it.

Approach

4. Be technically excellent – build a 'tool set' to support site assessment (but note that most models serve only to validate decisions already made).

5. Be consistent and pragmatic, so keep it simple – focus on 'macro' factors (eg wider, big picture), supported by evidence (ignore 'micro' factors which may be difficult to understand and model).

6. Be proactive in providing the innovative solutions that will be required.

Data

7. Invest in sourcing, acquiring and building Geographic Information System-ready datasets (this will involve negotiating Data Protection issues).

8. Insist on accuracy of spatial referencing, quality and currency.

9. Use strong visualisation to interact intelligently with a huge volume of data, gain insight and 'sell' this convincingly to decision-makers.

People

10. 'People are everything' – build a community of analysts: find, recruit, and retain the best, train, coach/guide, ensure they are not isolated physically and speak to each other, then step back.

As well as the accessibility of public sector services to users or customers, it is important to also consider other, often over-looked, factors: their attractiveness, their availability, and customer awareness of their existence.

Accessibility

From the outset, design a strong high-level strategic approach to determine the scale of assets required. How can you calculate the number of service points that can be justified across an area? Comparing asset locations to demographic mapping or customer demand mapping will show where you might have too many service points of one form or another (over-saturation) or where there are gaps.

Towards this, you will need to know how many potential customers are within the reach or catchment area of each location. This area can be modelled, simply using a radius or using walking, driving or public transport travel-time contours or *isochrones*. Modelled catchment areas are useful for objective comparison between different sites, especially where these are potential rather than existing. However, they fail to recognise artificial barriers such as administrative boundaries, railway lines, motorways or rivers. So for existing assets it is always better to get real data on where customers are coming from – their home address, or at the least their postcode – from a survey or from customer relations management records.

In the real world, catchment areas do not have convenient well-defined edges but decay gradually, and may overlap. Ideally, a strategic approach would seek to minimise overlaps between catchment areas. In reality, we can at best seek to understand through impact analysis the effects of any service location, existing or potential, on those around it. A concept commonly used by retailers is that of primary and wider secondary catchments, containing perhaps 50 per cent and 80 per cent of all customers respectively (the outliers are generally disregarded). Customer demand from any area is shared, not necessarily equally, between the overlapping catchments within which it lies.

Also, since catchment areas reflect where people work, shop and play as much as where they live – activities which are not constrained by artificial administrative boundaries – it is important for public sector service providers to think laterally about accessibility to services. For example, if many of your working population commute on a daily basis to a big city, say, London, consider reaching them more effectively by providing a service or contact point at local rail stations, or even at their destination – but only if it can be shown that this will be used.

Attractiveness

Another feature of real catchment areas is that they vary significantly in size depending on the attractiveness of the location to customers – think Tesco Express compared to Ikea. Retailers use the terms convenience (close to home, or on well-used travel routes) and destination (worth a special trip for) to describe the differing size, format and appeal of stores. Many, such as Tesco, have a multi-tiered network comprising a mix of these formats. They also recognise that attractiveness may depend not just on their own stores but on the aggregated appeal of those around them (the retail mix), a driver for both high streets and retail malls. This can include direct competitors – for example,

competing DIY stores are frequently found next to each other in out-of-town locations since together they make a more attractive destination for a customer, who is more likely to get what they want and so feels more assured that their visit will be worthwhile.

Many local authorities have started to adopt this approach with 'one-stop shops' and similar destination formats. An excellent example is The Sunderland Customer Service Centre at Bunny Hill in which public sector, business and voluntary sector services are conveniently co-located for customers in one building.

As with Tesco Express, which is particularly adept at catering for different locations with demographically differing catchment areas, a convenience-format public sector service point (such as the rail station suggestion given above) might offer a limited range of core services plus those targeted at the type of customers most likely to use it. In Hampshire, it is intended to develop this type of flexible approach through a network of 'public service villages' in key locations together with HantsDirect Local customer access and information points tailored to the communities that they serve.

A final point worth noting is that the attractiveness of a location to customers may also depend on micro-location factors including convenience for public transport or the availability of car parking, and on other factors such as the perceived quality of service.

Availability

Local authorities have followed the commercial sector in providing at least some services '24/7' via the internet. But what about those services that need to be delivered face-to-face, or where customers have a preference for this type of contact? In response to customer needs, many retailers and even banks now offer extended opening hours at their physical locations, both during the week and at weekends. Is the public sector ready to follow in providing customers with the right service, through the right channel, in the right place and at the right time?

Awareness

Everywhere, we are bombarded with advertising from retailers, financial services providers and similar who recognise (from customer segmentations eg Experian's Mosaic) that we each have different communication preferences and different interests that are likely to trigger our attention.

In the public sector, as elsewhere, the internet has been increasingly used to both provide and publicise services. However, consultation through, for example, Test Valley's 'Community Conversations' shows that many of those most likely to need public sector services, such as the elderly, do not have access to or do not use the internet. Community Conversations suggested the best way to 'reach' these customers to inform them what services are available, how, where and when, might be through the parish magazine or even the landlord of the local pub.

Glossary of terms

Capital and Assets Pathfinders Project – DCLG-led project, building on Total Place aiming to find out if, and what efficiency savings can be made by better coordinating capital and assets across the whole public sector in pathfinder localities.

Checklist analysis – Checklist analysis is a systematic evaluation against pre-established criteria in the form of one or more checklists.

Customer segmentation – Customer segmentation is the practice of dividing a customer base into groups of individuals that are similar in specific ways relevant to marketing, such as age, gender, interests, spending habits, and so on. Using segmentation allows companies and service providers to target groups effectively, and, for example, allocate marketing resources to best effect.

Demographics – Characteristics of the human population. Commonly used demographics include gender, race, age, income, educational attainment, home ownership, and employment status.

Geographic Information System – A geographic information system, geographical information system, or geospatial information system is any system that captures, stores, analyzes, manages, and presents data that are linked to location(s). In the simplest terms, these systems are the merging of cartography, statistical analysis, and database technology.

Gravity modelling – Estimates the flow of people, material or information between locations in geographic space.

Local Government Improvement and Development Customer Led Transformation Programme – Local Government Improvement and Development workstream that aims to help understanding and engagement with citizens and communities in ways that produce more accessible joined-up and efficient local services. Encompasses Customer Insight work, web 2.0/social media, and Total Place pilot research.

Lower Super Output Areas – A set of geographies developed after the 2001 census. The aim was to produce a set of areas of consistent size, whose boundaries would not change (unlike electoral wards). They are an aggregation of adjacent Output Areas often with similar social characteristics. Lower Super Output Areas typically contain four to six Output Areas with a population of around 1,500.

Multiple regression – A statistical technique that predicts values of one variable on the basis of two or more other variables.

Output areas – A statistical geography devised for the 2001 Census, Output Areas are subdivisions of Statistical Wards. The minimum Output Area size is 40 resident households and 100 resident persons but the recommended size was rather larger at 125 households.

Ratio analysis – Ratios are one number expressed as a percentage of another. By using an appropriate common denominator comparisons can be made on like for like basis.

Total Place – Total Place was an initiative that looks at how a 'whole area' approach to public services can lead to better services at less cost. It sought to identify and avoid overlap and duplication between organisations – delivering improvements in both service improvement and efficiency at the local level, as well as across Whitehall.