

Case Study

London Borough of Croydon

The Croydon Challenge Equation

In 2013 Croydon began a process of redesigning the way the council worked. Knowing that the current financial challenge needed something more radical to protect key services they went back to basics, questioned themselves on the role of the council, and identified three fundamental priorities. This new focus led the council on an 18 month long process that challenged assumptions, created new service models and moved from a focus on single outcomes to a holistic approach aligned to the council's priorities. After years of efficiency-related and salami slicing cuts this new approach is improving outcomes and is key to helping the organisation achieve required savings of £100m by 2018.

Allocating funding to an outcome, rather than to a department can provide greater clarity on how a council is seeking to meet its priorities. It can challenge wasteful assumptions, prevent duplication and silos, and bring the council and its partners together to create new solutions.

What was the approach?

The 18 month long process to create a new approach was led by the Corporate Leadership Team asking the basic questions – why are we here, and what is the council's role? Challenging assumptions helped Croydon identify three fundamental priorities:

Growth – encouraging business and making the place right for investment, with suitable jobs, housing and infrastructure.

Independent – supporting people into independence

Liveability – providing a place that works for its residents

All of the councils services addressed the questions: how does this service contribute to our priority outcomes? How can we measure that achievement? Can we achieve those priority outcomes in a different way?

This new perspective challenged previously held assumptions. For example, Croydon has around 130 parks. The Council had a priority outcome to encourage healthy lives and independent residents. With the outcome now the focal point, the Council looked at whether its parks were really contributing to this, leading to greater or different investment in some areas and disinvestment in others. They also considered whether the outcome could be addressed in a different way, and were able to work across departments and budgets to consider how to make this happen. Where changes were made, there was a clear rationale which helped members to make the case for change in their communities.

The Corporate Leadership Team owned the initiative and led a whole council approach. With a strong narrative about the direction of the council, it secured member support across elections and a change of control.

What has changed? Some examples

The council introduced an initiative called ***Eyes and Ears***, following analysis of place-based services where outcomes were similar. It enabled the development of multi-skilled operatives and teams to become a unified face of the council, that is better able to respond to environmental and Anti-Social Behaviour (ASB) issues, have a more effective and integrated impact on communities and make visible improvements within the borough, all whilst reducing service costs through better coordination, integration of enforcement services and improved ICT systems.

People's Gateway transforms the way residents access Council services, and brings together housing, Adult Social Care, revenue and benefits for people with complex needs who often access multiple council services. The Gateway demonstrates how the council moved from single outcome thinking and towards an aligned holistic approach to improved outcomes for individuals. It achieves better results for residents, as services and communications are aligned, and deliver savings by allowing the council to be more engaged with residents, and address needs at an earlier stage, before they become acute.

Impact

The Croydon Equation is the main focus of approach projected to save £100m between 2013 and 2018, moving the Council spending from £450m to £350m over the period. The Council has been able to redirect resources to those services achieving the greatest impact on priority outcomes and return on investment.

The Equation is now part of an annual process, used when looking at budget pressures as part of some corporate monitoring. It has created a new culture, and a new way of thinking about outcomes and achievements: not 'how much have I got to spend?', but 'What outcomes am I achieving?'

Where next

The Croydon Equation made it clear just how much opportunity there is. The council is now looking at how to better use their rich data to inform them about the impact being achieved on their priorities, and ensuring that the right data is available for the right purposes. Use of behavioural insight will enable the council to progress demand management in the most appropriate areas. The council sees scope to take this approach in other work completed with partners, such as joint commissioning.

Crucial to the success of the Croydon Equation was that people were taken on the journey with the Corporate Leadership Team, a process that takes time and a real focus on the key council priorities.