

RADICAL Project

In 2007 and early 2008, AdviceUK, with Baring Foundation funding, undertook a project in Powys and Oxford to examine advice from a 'systems thinking perspective. This project led to the publication in October 2008 of the report *It's the **System** Stupid! Radically Rethinking Advice.*

The thinking that underpins this approach is characterized by these two quotes:

'Every public service about which we (in Vanguard) have knowledge has been burdened with specifications, regulations and targets and the like which are actually making performance worse. If you wonder where the money has gone, much of it has been spent on undermining performance and morale: tragic, unintended consequences of 'reform'. Let's be clear. This is not an argument for radically changing the regime's specifications: it is an argument for radically changing the regime to get rid of the specifications altogether.' John Seddon, *Systems Thinking in the Public Sector*, 2008

'The performance of anyone is largely governed by the system that he works in' (W. Edwards Deming)

Our problem with the Government's approach to improving public services – advice included, under the Legal Services Commission's strategy - is that we simply think it won't work. As our report points out, the creation of quasi-markets and inspection regimes, imposition of targets, new contract specifications and jointly commissioned structures not only threaten independence – they also offer no method for improvement. We think systems thinking offers a method for improvement.

Our RADICAL advice project saw us work with Vanguard Consulting to look at advice services from a systems thinking perspective. The results are illuminating and have already met with acclaim and excitement from officials and advisers alike.

'Systems Thinking' teaches us to design services against demand, from a bottom up, user perspective. Our study of advice services in Oxford and Powys has shown us, not surprisingly, that demand for advice varies by locality. Flexibility to respond to changing demand is critical for advice agencies.

Huge amounts of demand for advice services is caused by the failure of public bodies like the DWP, HMRC and local Housing Benefit Office to get things right. System conditions like fixed fees introduced under Legal Aid reforms are hindering agencies' ability to respond to client need.

When we start to see advice as part of a wider system that includes public administrative bodies, funders, commissioners and regulators, we start to identify where the waste is. It's certainly not at an agency level – it's in the revolving door of poor administration and conditions that seek to create large advice factories, offering no incentive to agencies to reduce failure demand by preventative work.

Act on the system and design against carefully understood demand and we might start to see improvements.

Nottingham RADICAL project

Following the publication of *It's the System Stupid! Radically Rethinking Advice* we looked for opportunities to experiment more fully with the systems thinking approach. This led to new RADICAL work in Nottingham. The Advice Nottingham group of advice organisations, solicitors and Nottingham City Council, with AdviceUK and Vanguard Consulting input, are applying a systems thinking approach to advice services in the city.

This project will build on the learning from the work in Oxford and Powys by identifying the demand for advice services and system conditions that currently exist in Nottingham. It will explore in a holistic manner customers' journey through the advice system, including the process of referral between advice organisations and will explore, develop and experiment with changes to advice and related systems that will improve services for clients.

The active involvement of frontline advice organisations in the project will enable them to inform advice policy and strategy and directly influence the redesign of advice services in Nottingham, thereby strengthening their independence. Through working in partnership with Nottingham City Council to make these changes to the advice system, significant improvements in effectiveness of advice delivery in the city will be achieved.

This project will link very closely with the BOLD Advice Project – see below.

Expected outcomes

As a result of this project, we envisage an advice service in Nottingham with reduced failure demand and waste. Through a thorough examination of the current advice system and the factors that impact on it, the project will look to establish the best way to deliver advice across the city that ensures joined up working across services.

The reduction in failure demand and waste will free up capacity that will enable advice organisations to respond in a creative and flexible manner to emerging need and to capture knowledge that can influence the ongoing improvement of advice services in the city.

The project will inform the commissioning of services in the city and enable Nottingham City Council to decide on future funding of advice services based on a thorough understanding of what is needed to continuously improve them. The involvement of the advice organisations will allow them to influence this process and thereby helping them maintain their independence.

The project will help to bring about an advice service in Nottingham, which is accessible, has a higher profile and is focused on client need. It will give agencies involved the skills and knowledge to continually improve.

The project will run between March and autumn 2009. Early findings will emerge in late spring 2009.

Manchester/Coventry BOLD Project

This project aims to respond to common pressures that threaten independent advice services:

- Moves by local authorities and other funders from **grants to commissioning** - including joint commissioning of Community Legal Advice Centres (CLACs) and Networks with the Legal Services Commission (LSC). Advice agencies, particularly smaller organisations, lack skills and resources to influence funding and procurement and to form/ participate in bid consortia and compete with larger private sector organisations or charities. Top-down commissioning processes and specifications, based on myths that they will lead to better services¹ and without clear mechanisms for provider or service user engagement, fail to place value on independence and diversity. Other cities (Hull, Leicester) have seen long established local agencies lose out to private sector bidders.
- The increasing importance of **Local Strategic Partnerships and Local Area Agreements**. Advice, while being a cross-cutting theme in local priorities, may not be specifically identified. Advice agencies must engage with the LSP and LAA process to ensure independent advice is a funding/procurement priority.
- Poor **understanding amongst policy makers and funders** about the way in which independent advice agencies work and the system conditions that affect their services. Our RADICAL project demonstrates the importance of seeing advice as part of a wider system, highlighting the waste and lack of learning that currently exists in this system.

We will undertake a two-year programme of closely linked activities. Support for agencies to participate in the activity below will be provided by a Project Coordinator and targeted at smaller organisations. The bulk of our activity will be located in **Manchester and Coventry** but we will work and share resources and learning with other cities and counties.

Funding and Commissioning for Public Benefit

We will work in partnership with **nef** and draw on learning from RADICAL, to develop with local advice providers, clients, funders and commissioners an exemplar approach to advice service funding and commissioning. This will be piloted in one or two of the bid cities. It will be focused on a holistic, 'systems thinking' approach to funding and

¹ *Unintended consequences: How the efficiency agenda erodes local public services and a new public benefit model to restore them*, nef, 2007

procurement that places service users first, recognises the full value over time of a diverse range of independent advice services and ultimately achieves better value. The approach will incorporate the wider social, economic and environmental impacts created by providers into the commissioning and procurement process. It will thus capture the value of smaller independent organisations whose strengths – particularly their local knowledge and anchorage within social networks - are neglected in the competitive commissioning model.

Tendering and Commissioning Skills and Influence

We will provide a programme of training and resources for agencies in two bid cities, focusing on influencing what will be commissioned/funded, negotiating contracts and developing successful bids with full cost recovery. We will work in partnership with the DSC, building on their Fair Deal Programme to develop and deliver advice agency specific training and resources.

Making Advice a Local Priority

AdviceUK will develop resources on how to engage with LSPs and ensure that advice is featured in future Local Area Agreements. We will work with local agencies to tailor these resources to make them relevant for local circumstances and provide training for agencies in the two cities. Our Project Coordinator will provide support at a local level for advice agency engagement in the LSP process.

Back to the Advice Floor

Building on learning from the RADICAL project, we will coordinate a “back to the floor” exercise in one or two bid cities. This will allow national and local statutory bodies to gain a sympathetic understanding of the advice sector and vice versa. This process will lead to increased confidence of suppliers to influence what will be commissioned and how it will be commissioned. It will aim to include local authorities, LSC and relevant Government Departments.

The BOLD project will run from February 2009 – spring 2011.