

Continuous Improvement Strategy for Defra, 2012-2014

13 July 2012

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Any enquiries regarding this document/publication should be sent to us at:

Defra Customer Contact Unit
Nobel House
17 Smith Square
London SW1P 3JR

PB13791

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1. Introduction

1.1 “Continuous Improvement” is a rigorous ongoing effort to improve services, processes or products. It’s primarily a way of thinking and working, supported by tools such as *Lean* and Six-Sigma. Above all, Continuous Improvement is marked by a culture in which staff are encouraged and empowered to ask ‘how can I do this better for my customers’ every day. This philosophy can be applied across policy, delivery and corporate services.

1.2 Defra, like many other Departments, faces significant challenges:

- We need to keep delivering in a tough fiscal environment, with constrained budgets and big challenges - climatic, demographic, consumer expectations
- Our partners – other Government Departments, local authorities, businesses, civil society organisations, are changing too;
- Ministers expect us to deliver our priorities in a different way, e.g. through less and better regulation, Localism and engagement with businesses and civil society, more transparency and accountability;
- We also need to improve the way we work in response to feedback from our customers, stakeholders and staff.

1.3 Continuous Improvement forms part of our response to these challenges.

Other Government Departments have successfully used Continuous Improvement to stop activities which did not add value, improve service to customers and reduce costs. In addition to average return on investment of 7:1, Continuous Improvement programmes in central government can harness staff’s creativity and appetite for improvement, resulting in improved staff engagement scores.

Some of Defra’s own delivery bodies have been using Continuous Improvement very successfully. For instance, Over the past two years, 140 Continuous Improvement projects at the Food and Environment Research Agency (FERA) have delivered £5.6m in savings - a 15:1 return on investment.

1.4 This document sets out what Defra and its delivery bodies plan to do between now and 2014 to improve the way in which they deliver Ministers’ priorities. It was informed by the cross-Government Strategy on Continuous Improvement published by Cabinet Office in June 2011.¹ It follows on and delivers part of our Capability Action Plan² and , within the core Department, our Change Programme.

¹ Cabinet Office (2012). *Building Continuous Improvement foundations to create a high performing culture - Creating a sustainable culture of Continuous Improvement across Central Government.*

² Defra (2012). *Capability Action Plan.* Available at <http://www.defra.gov.uk/publications/files/pb13755-capability-review.pdf>

2. Using Continuous Improvement to deliver key priorities

2.1 Key objectives

Over the next two years, we want to bring the Defra Network as a whole further on in the maturity model. We want to have made progress in embedding a culture of assessing what we do and how we are doing it, with a view to making improvements, as a matter of routine.

In addition, by April 2014, we want to have:

- i. improved services to customers across Defra and its main delivery bodies (part of what is known as ‘the Defra Network’³).
- ii. introduced new processes for business planning, and for assessing the Value for Money and impact of investment and expenditure across the Defra Network, as well as a new framework for assessing performance.
- iii. used Continuous Improvement disciplines to achieve efficiencies in Corporate Services across the Defra Network.
- iv. established mechanisms for disseminating lessons learnt and innovation throughout the Department.
- v. examined two policy processes which we use day in, day out to see how they could be streamlined, to release staff time for other tasks.
- vi. strengthened our Continuous Improvement capability, so that a culture of doing things better becomes pervasive.

2.2 The Continuous Improvement roadmap

We have used the Continuous Improvement maturity model developed by the Department for Work and Pensions (at [Annex A](#) to this document) to establish where we are on our Continuous Improvement journey.

The picture is very mixed across the policy core and the delivery bodies. Core Defra is still in the early stage of formal Continuous Improvement, though there are pockets of advanced practice. This is perhaps unsurprising, given the focus on policy development rather than transactions.

³ A full list of delivery bodies in the Defra Network in at [Annex B](#) to this document.

By contrast – also unsurprisingly – most of our key delivery bodies (in particular the Animal Health & Veterinary Laboratories Agency (AHVLA), Environment Agency (EA), Food and Environment Research Agency (FERA), Natural England (NE) and Rural Payments Agency (RPA)) have been applying Continuous Improvement techniques for some years, with some very strong level of maturity in some bodies. Annex A illustrates the spread of maturity across the Defra Network.

Section 3 below sets out the actions we want to take between now and 2014 to deliver our key objectives.

3. Delivery plan

3.1 Improved services and value to customers

In delivery bodies,

- Over the next year, building on substantial efficiencies and benefits already made, the Environment Agency will be using Continuous Improvement to further increase the value it delivers in its key processes of regulation and Flood and Coastal Risk Management, including routine identification of improvement priorities as part of the corporate planning process for 2013/14.

Between 2008 and 2011, the Environment Agency delivered over **£9m** cash savings and a range of customer- and staff-related benefits through some 30 Continuous Improvement projects– a return on investment of over **10:1**. Improvements in issuing environmental permits have led to a saving in staff costs of some £0.25m and a substantial reduction in time to issue a permit.

- The Food and Environment Research Agency (FERA) are implementing a Strategy Deployment Matrix, led by the FERA Executive. It aligns the Agency's focus on improvement actions with its strategic aims, providing clarity to its staff on the results it wants to achieve and the direction of its Continuous Improvement journey. As just one example, in 2012/13, this approach will include FERA's work on Better Regulation Task Forces, finding joint solutions with industry to reduce regulatory burden and costs. After the current pilot, the Strategy Deployment Matrix and Communications Cells (places where teams meet to review performance and agree actions to deliver improvements) will be rolled out across the Agency over the next two years. Feedback from the pilot to date shows increased understanding of priorities, improved communication, higher levels of engagement and ideas for efficiency improvements coming forward.
- The Animal Health and Veterinary Laboratories Agency (AHVLA) will produce a Customer Insight Strategy and associated Insight programme for 2012/13, which will feed into its Influencing Strategy. As part of the Strategy, AHVLA will work with intermediaries, such as industry bodies and private veterinary surgeons to reach service users. A range of approaches will be used for different customer groups. Insight will be used to improve services using *Lean* tools and techniques and reduce waste by concentrating effort on what AHVLA customers say adds value.

- As part of Natural England's comprehensive programme to align the way it works with customer needs - informed by significant investment in customer insight processes - it is working to achieve accreditation against the Cabinet Office Customer Service Excellence Standard. This will be delivered on a phased basis starting in April 2012 with the main front line teams becoming accredited by end 2012.

Natural England applied LEAN approaches in the radical redesign of core Land Management processes, identifying cash-saving benefits of £8m. These benefits are now being secured through a broader change programme to deliver the overall suite of Land Management efficiencies promised within SR2010.

- The Rural Payments Agency is developing an end-to-end Complaints and Appeals process and supporting system, to be launched by November 2012. It is also improving its packaging of guidance and information to allow its customers to access information of specific relevance to their business. This will be launched by July 2012 and then improved upon through 2012/13 and 2013/14.

In Core Defra,

The Customer Contact Unit in Defra has used Continuous Improvement to streamline processes during restructuring in 2011, leading to major efficiency savings. A new way of handling correspondence has resulted in correspondents frequently being answered within 48 hours. The Unit surveys its customers regularly to identify areas for improvement and acts on that feedback – for example, to make answers as clear as possible. Staff are encouraged and empowered to keep seeking to improve how business is done.

- Defra is working closely with AHVLA and exporter interests to overhaul export health certification for animal products to third countries by April 2013. This certification enables some £300m of products to be exported from GB each year. The project aims to:
 - *improve service quality* by providing exporters with direct access to certification information and speeding up the process for issuing certificates;
 - *facilitate exporters' access to new markets* by empowering them to determine market access activities (which countries to lobby, when and how), and

- *reduce the cost of the service.* The service currently costs the taxpayer over £3m a year. We are looking to reduce this possibly by as much as half, by replacing antiquated IT systems (subject to approval) and by more efficient deployment of resource. We also plan to introduce new charging arrangements.
- From the end of May 2012, we will integrate behavioural approaches fully into Impact Assessment processes. As a result, policy makers will be prompted to articulate the non-regulatory, behavioural alternatives that have been explored. We would expect that this, in turn, will be informed by social research or customer insight, which should improve the effectiveness and efficiency of our policies.
- The challenge of improving the way we deliver the next round of CAP schemes is to make sure that we learn the lessons of the past and deliver something that is better value for money, works well from the start for farmers, and is flexible enough to adapt to future changes. It should be possible to do this by developing more integrated systems and Defra has started exploring how best to do this.

3.2 New business processes

Core Defra and its delivery bodies are developing a new approach to business planning that will allow us to specify the outcomes we are aiming to achieve in the real world, the outputs we will deliver, the activities we will focus on and the resources we will need to use.

Through a cycle of business plan development, implementation, challenge and learning lessons – starting in 2012/13 - we will seek to make year-on-year improvements in the value that we are able to deliver for the money we have at our disposal.

By March 2015, we will be in a strong position to articulate the improvements that have been made in our value for money position, in readiness for the next Spending Review period.

In addition, Defra, like other departments, has established a rolling programme of reviews its Non-Departmental Public Bodies (known as Triennial Reviews). Those reviews ensure that the functions and services NDPBs perform provide value for money and are the most appropriate mechanism for implementing policy objectives. These reviews will:

- provide challenge to, and justification for, continuing functions, and look at how those functions are to be delivered in future.

- document customer and stakeholder views about how functions are delivered and how the NDPB is regarded.
- inform continuous improvement of NDPB's efficiency and cost-effectiveness, and of the department/NDPB relationship.
- recognise, and give credit for, improvements and efficiency gains delivered by the NDPB to its customers and stakeholders, and recognise progress with implementing corporate change initiatives.

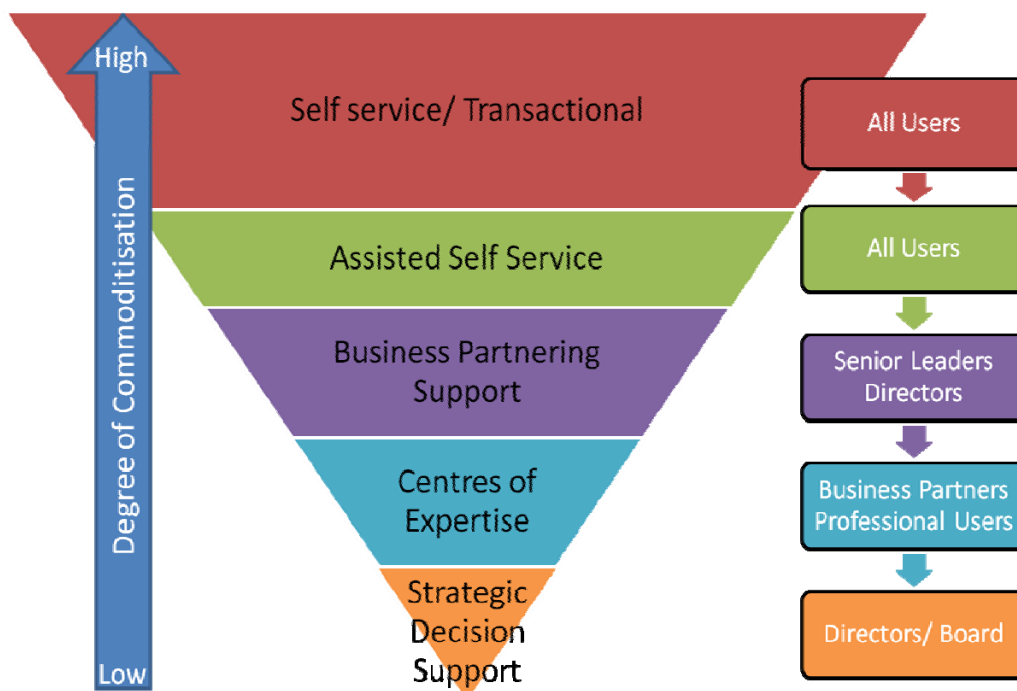
3.3 Efficiencies in Corporate Services

Overall vision and Target Operating Model

The Defra Network has benefitted from an increasing level of collaboration and convergence across its Corporate Services functions, which has led to the agreement of a shared delivery vision in March 2012:

To establish an approach to Corporate Services provision for the Defra Network that **delivers the required cost efficiency** by March 2015 [and beyond], whilst maintaining a **fit for purpose customer service at a consistent and defined level**

The Network's commitment to move towards a less expensive delivery model for Corporate Services is key to achieving this vision. Like the vision, this model has been developed collaboratively, with reference to existing effective practice (including Continuous Improvement), and some early adoption of new delivery approaches. The *Target Operating Model* has five service levels and is shown in the following diagram.



The products and services deployed at each level will be aligned (or designed) to ensure that customer, cost efficiency and quality Continuous Improvement principles are achieved and maintained. Implementation is in progress, and is underpinned by a series of supporting business cases. Benefits realisation will be tracked and measured against the agreed cost (and quality) baseline as part of an overall Corporate Services programme.

Other improvements

- The Defra Network Estate Programme is tasked with reducing the annual cost of our property by 33% (£57m) by the end of March 2015. Savings will be achieved by taking advantage of lease opportunities (lease breaks or ends) and relocating our people to alternative Defra or Wider Government Estate offices nearby. We are also working on a number of projects which are looking to reduce the space we use at large freehold sites and obtain capital receipts for the surplus.
- Information Services works closely with its customers and suppliers to ensure continuous improvement is a key part of the service, with a contractual commitment in place with our key suppliers. The quality and satisfaction with the services is monitored regularly. A portfolio of continuous service improvement projects is in place, with progress monitored on a quarterly basis by senior ICT representatives from across the Defra Network.
- Defra's Commercial Strategy, currently in its infancy, is expected to cover areas such as Procurement & Contract Management, Investment & Funding, Asset

Management, and Revenue Generation. We are working to have a plan in place by the end of June 2012.

- Our Shared Services Directorate has run a formal programme of optimisation since 2011, and during 2012 this work will be integrated into core delivery as part of the embedding of continuous improvement.
- Defra's Procurement and Commercial Function undertook a "fast track" *Lean* project, including employee training on *Lean*, to improve its efficiency and effectiveness. Implementation of the re-designed processes has yielded a 5:1 return on investment and savings of over £0.6m over three years. Separately, new processes for awarding and monitoring Defra's grant expenditure will come in on 1 April 2012. The new processes are designed to deliver better value for money (reduced cost per unit of output, or more outputs for the same investment), a reduced risk of fraud and loss, and possibly savings that can be reinvested in further grants. In the first phase, grants to the value of around £28m will be reviewed.

In Summer 2011, as part of an initiative called the '**Streamline Challenge**', Defra staff generated over 130 ideas for process improvements, mainly in Corporate Services. Defra has agreed to take action on 42 of these ideas, and to look at another 34 suggestions or issues in more detail to explore what is possible.

A quarter have already been delivered. The changes (such as ability to send more completed forms by email, simplified forms, de-layered processes) will release staff time. It is expected that the vast majority of the remainder will be delivered by the end of September 2012 with only two, due to complex IT dependencies, being delivered over a longer timeframe.

- FERA has already used Value Stream Mapping (VSM) to develop more efficient processes in procurement, Estates, IT and Finance, leading to total savings of over £0.7m. Next steps include the application of new technology to data input/capture and scientific diagnostic in the field.
- The Environment Agency is using Continuous Improvement to improve corporate services to meet Treasury benchmarks. A 33% reduction in support services will have been delivered by March 2014 compared with 2010/11. Improvement programmes are in place for both HR and Finance transactional processes to deliver further savings.

- The RPA are taking forward a project on improving their Key Business Processes within their Strategic Improvement Plan. This will seek end-to-end efficiencies across 2012/13 and 2013/14, prioritising operational processes initially but also seeking to optimise other processes over the two years.
- Continuous improvement work is underway within key Corporate Services functions in Natural England. For example, the Finance function plan to use the CIPFA Financial Management model to seek further process improvement.

Over the full range of Corporate Services, Natural England has, since vesting, adopted external benchmarking to determine the right level of support. They have delivered a sequence of process development projects to enable them to reach these benchmarks – for example in terms of OD support where their current level of 1 OD FTE / 100 FTE is now at the level of best in class.

3.4 Fostering innovation and learning

In Core Defra

- We have recently refreshed our **staff competencies**, and have included strengthened expectations around sharing knowledge and learning from experience across the organisation. From dissemination of lessons learned exercises, to capitalising on the formal and informal knowledge networks that our staff are part of, we will recognise and reward behaviours that foster Continuous Improvement in learning through the performance management system.
- The Defra **Innovation Hub** has recently been established to coordinate, harvest and share innovation in the Department through the development of a departmental network and a series of workshops and seminars. The innovation hub will also bring relevant policy and evidence areas together to develop a clearer Defra view on innovation issues.
- Defra's **Policy Evaluation Board** is tasked with developing a more systematic approach to evaluation by promoting best practice and consistently capturing and sharing evaluation evidence in the department, across the Network and with our partners and stakeholders. Evaluation provides evidence that can then feed back into policy development, to produce better decisions improved outcomes and ensure that Defra is delivering value for money

In 2012/13, the Board will focus on: identifying priority evaluation areas within Defra, to deliver strategic outcomes and priorities; embedding evaluation resources within Defra's policy cycle and business processes; providing evidence of what works. All this will facilitate knowledge transfer, lessons learnt and upskilling, and enable the department to respond to external scrutiny.

The success of the Board will be indicated by: an increase in high quality impact evaluations; an increase in empirical impact evaluation evidence used in cost benefit analysis; a reduction in evaluation quality assurance issues; and improvement in external peer review.

- From April 2012, Internal Audit will be undertaking **annual reviews of all Gateway reports** to identify common themes, areas for improvement and good practice to be shared and championed. They will keep track of the action taken as a result of their findings from one year to the next. More generally, Internal Audit contributes to Continuous Improvement by making sure actions arising from its and NAO's reports are tracked and improvements delivered in the business.

In delivery bodies

- The Environment Agency continues to embed their 'toolbox' of Continuous Improvement tools and techniques - together with a set of good practice examples and 'go see' sites across the organisation. During 2012 they will implement an "Ideas Street" (as used within DWP) that will collect and share good ideas throughout the business so that everyone can access and share good practice.
- The Food and Environment Research Agency plans to embed accountability for Continuous Improvement at all levels, especially so that leaders encourage innovation from the Agency's talented and highly motivated staff.
- Since April 2011, Natural England have rolled out quality standards for staff to use as benchmarks, to ensure consistency across key areas of Natural England's work. Natural England's standards are being prepared in a way that enables their work to be tailored to local circumstances, helping to share learning and best practice, and drawing on feedback from customers. During 2012/13, Natural England will start making those standards available for external audiences and customers, to help them understand what they can expect from Natural England's staff.

3.5 Applying Continuous Improvement techniques to policy processes

Engaging stakeholders more effectively in how we develop policy

In response to feedback, we will introduce a new, much more systematic approach to stakeholder management over the next year. This will include an account manager system for key national stakeholders. This work has multiple aims: improving Defra's ability to deliver through influencing others; increasing efficiency in Defra by sharing knowledge and intelligence better, and developing policy that is more workable, effective, and efficient, eg through new ways of working such as co-creation.

We are also working with regional delivery teams across the Defra Network to develop a more coherent way to engage with local stakeholders; provide local intelligence and troubleshooting; and create a feedback loop into policy development. Stakeholder perceptions of Defra will be measured through an annual survey, which will assess progress against a baseline established through the 2012 survey.

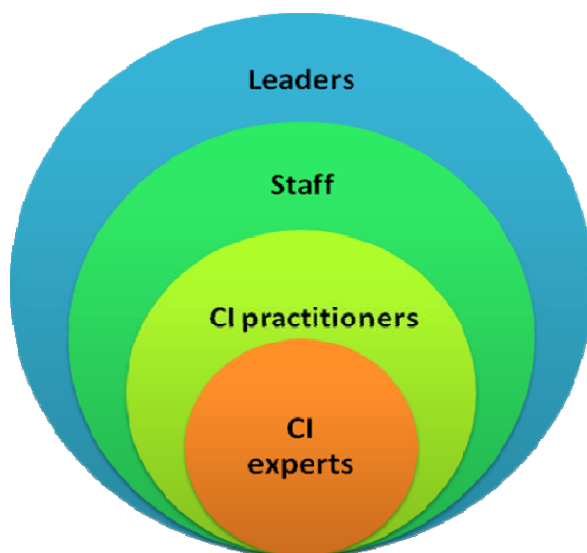
Examining key policy processes

- As part of the core Department's Change Programme, we are already looking at some of our key policy processes and systems to see how they could be improved so that staff resources are released for use on other activities.
 - we are taking a better targeted and more proportionate approach to how we apply Programme and Project Management (PPM) techniques, reflecting the level of risk involved in any particular activity, to reduce process and bureaucracy.
 - We are also looking at how we streamline corporate performance management, so that the burden of reporting is reduced and supports performance management better, with an increased emphasis on progress against outcomes and outputs rather than activities.
 - We will identify two other processes which are used frequently in policy development, and examine how they could be streamlined to require less staff time.
- EU-related work accounts for a significant proportion of the Department's activities. Getting it wrong carries big economic and financial consequences. We have established standard processes and comprehensive guidance notes on EU negotiations (adopted across Whitehall), transposition and managing infractions. By April 2014, we want to ensure that the process and guidance

are being adhered to by all teams, and that lessons learnt are shared across the Department. Legal advisers will monitor uptake and act as a channel for sharing learning.

3.6 Strengthening our Continuous Improvement capability and culture

Our model of Continuous Improvement draws on what has been developed over time for Gateway reviews, and across the Network for Programme and Project Management.



Experts – few, with deep knowledge. Provide input on complex/high risk projects

Practitioners – numbers growing overtime, broad knowledge. Provide input in their team or on specific projects for a set number of days per year.

Staff – identify improvement opportunities in their own work and that of others, build new options in their thinking, know to call on more specialist help.

Leaders – Create an environment where improvement is expected, supported (e.g. through training resources, providing strategic insight) and rewarded.

In delivery bodies

Over 120 **Environment Agency** staff have already received Continuous Improvement training, and over 30 staff are formally qualified. Plans for next year cover leadership and senior manager training, as well as developing a strong practitioner network across the organisation, led and supported by the existing central Continuous Improvement team. An additional 300 staff will be trained and this will be supplemented with an e-learning training package for an even larger group of staff during 2012/13.

The **Animal Health and Veterinary Laboratories Agency** (AHVLA) will be *Lean* methods to support its vision for 2015. Over the next year, it will:

- Establish a senior managers steering group to oversee progress in implementing the *Lean* strategy; identify strategic projects; review capability and address concerns.
- Set up a centre of excellence to support *Lean* practitioners - e.g. through owning all training material, sharing good practice and maintaining contacts with *Lean* networks across government, quality assuring revised processes and championing continuous development through learning.
- Skill up a core team of *Lean* practitioners from May 2012, and roll out its *Lean* awareness training module to all staff. Specific training for leaders will also be delivered over the next 12 months.

FERA now has internal capability to facilitate Board-level Strategy Deployment Matrix workshops and deliver Communication Cell training. Directors and senior managers have been exposed to *Lean* tools and techniques. It plans to rollout training in Strategy Deployment Matrix, Communication Cells and structured problem solving in 2012/13, in addition to the online *Lean*-based training already available. The “FERA Way” of doing business will include a strong focus on Continuous Improvement, empowerment, coaching and problem solving.

In **Natural England**, through the mechanism of a new ‘skills framework’ a broad range of development initiatives (e.g. on programme and project management and on customer insight) are in place to build capability in a way that will support ongoing delivery of both large-scale change and continuous improvement.

RPA have set up a Centre of Excellence which will drive and manage change across RPA over the next two years, through the Strategic Improvement Plan. It will:

- skill up a core team of Design People, trained in ISEB Business Analysis and *Lean*. Specific training is being delivered to practitioner level over the next 12 months;
- establish Programme Leaders and dedicated project teams to deliver projects in the Strategic Improvement Plan.

In Core Defra

We currently have a small network of trained **practitioners**, most of them in Corporate Services. These practitioners will help apply Continuous Improvement in their teams, and could help more widely across the Department.

We will build an awareness of continuous improvement into our ongoing **leadership** programme, so that by April 2013, all senior officials are aware of the potential of Continuous Improvement and their role in it. We will ensure that Continuous Improvement is championed at Board level.

We will ensure that by April 2014, **staff** are aware of the concept of Continuous Improvement, its relevance and value, and their role in making it happen. We will do so through promotion of the Civil Service Learning online module, and through building the concept of Continuous Improvement into staff engagement on new ways of working. This will support our refreshed Defra competencies, which set an expectation that all staff will seek opportunities for Continuous Improvement in the workplace.

Across the Defra Network

We have a small network of trained **experts**. They tend to be involved in longer, more complex, more risky projects, which require deep expertise (e.g. in the use of tools such as *Lean*).

In addition, we have a burgeoning community of practitioners across the Defra Network. We want to re-invigorate links across this community, so that, among other things, it becomes a channel for knowledge-sharing and innovation across the Department. In particular, we expect the community to provide input and ideas to our cross-Network strategic leadership group (see Section 3.7).

3.7 Governance

Most of the Continuous Improvement activity in delivery bodies has its own governance arrangements. Those will remain in place.

- For example, Continuous Improvement has been positioned as a Board - level Change Programme within FERA, with the Director of Operations acting as the SRO, and formal benefits realisation reviewed regularly.

The delivery of Continuous Improvement activities in Core Defra will be overseen through the governance arrangements which will be set up to oversee the

implementation and benefit realisation of the Capability Action Plan and the core Defra Change Programme.

Work is in train to set up a cross-Network strategic leadership group, which will aim to develop collaborative approaches to priorities for resource planning and corporate services. Continuous Improvement is an important tool across the Network, and this group will provide a useful forum to consider cross-organisation benefits and opportunities.

3.8 Issues and risks

Issue - Metrics and baseline data

Organisations at the start of their Continuous Improvement journey are less likely to have readily established baselines and ways to measure or monitor the impact of initiatives speedily or cheaply. This may slow down progress, but is a crucial first step on which Defra will focus in the next two years.

Risks

Risk description and impact	Countermeasure/mitigation
<p>Constraints on the development of and access to Continuous Improvement capacity (eg loss of experts to other organisations; or competing calls on practitioners' time) delays progress</p>	<p>We will continue working with the Cabinet Office Continuous Improvement Network to identify potential help from other organisations.</p> <p>We will seek to increase the Defra Network pool of practitioners by training more.</p> <p>We will develop a clear, shared vision across the Defra Network and re-focus our Continuous Improvement activities to concentrate on those with the biggest impact</p>
<p>Large-scale organisational changes delay or disrupt the uptake of Continuous Improvement thinking among staff</p>	<p>In Core Defra, we will 'mainstream' Continuous Improvement as part of our wider change activities, to maximise channels for communication and uptake.</p> <p>We will keep the pace of implementation of the strategy under review, so that it is linked to the capacity for change, to ensure that benefits can be realised and the capability developed is used effectively</p>

Annex A – Current position of the Defra Network on Continuous Improvement, using DWP’s ‘maturity model’

	Preparation		First Steps		Bedding in the principles			Refining the principles		Sustaining continuous improvement	
Area	0	1	2	3	4	5	6	7	8	9	10
Leadership	Leaders recognise the need to develop capability for continuous or step change improvement in their business area.	Leaders understand the wider strategic challenges, have appointed dedicated capability to support improvement and reviewed improvement capabilities within their team.	Leaders have engaged the wider leadership team to develop the vision and "vital few" priorities and engaged with customers /stakeholders to clarify expectations. Relevant leaders own their own targets.	Leaders have communicated the vision, priorities and targets effectively to their teams. Leaders demonstrate commitment.	Leaders demonstrate engagement in change initiatives, improvement plans and proactively resolve barriers to good performance. Leaders own the operation of their processes.	Leaders are engaged in driving continuous improvement, demonstrate commitment to achieving targets and involve customers in process improvement.	Leaders regularly evaluate team performance using visual management, providing response and support. Leaders can use fact based problem solving methods and have systematic contact with customers.	Leaders encourage teams to share good practice widely to drive performance based on customer need. Leaders provide coaching and advice to improve understanding and performance.	Leaders perform structured workplace and customer reviews at specified intervals to drive continuous improvement. People are actively encouraged to participate in team meetings, problem solving events and 'go see' good practice.	Leaders actively coach and mentor teams in solving problems at their own level. Leaders support and encourage people to demonstrate ownership of the targets and commitment to achieve them. Teams proactively participate in problem solving activity.	Leaders relentlessly focus on improving process, customer and employee experience. Leaders receive consistently high scores in customer and employee surveys.
People Engagement	People have limited or no understanding of customer or performance goals and there is limited ownership of activity.	High level customer and performance goals have been discussed and agreed. People understand change principles and what continuous improvement means for them.	People understand the main tools for supporting improvements in their areas and have started to understand how problem solving can improve their own work.	People have re-designed their key processes and taken out activities that don't add value. A high level future state process has been agreed.	People can operate the standard processes with support. Process owners actively encourage improvements and sharing of good practice to develop standards.	People work to standard processes without external support. Visual management and problem solving help contribute to process improvement and develop standard work.	People can use the fact-based problem solving methods effectively and can offer constructive feedback to improve team performance.	People seek coaching and advice to improve understanding and performance, and routinely use fact based problem solving methods. People understand their personal contribution to customer satisfaction.	People organise themselves and actively participate in team meetings and problem solving events. Standard work instructions are actively and constructively challenged.	People demonstrate ownership of, and commitment to exceed targets, but not at the expense of another target.	People are relentlessly striving to improve business performance. People seek coaching and feedback to improve performance.

	Preparation		First Steps		Bedding in the principles			Refining the principles		Sustaining continuous improvement	
Area	0	1	2	3	4	5	6	7	8	9	10
Internal capability	No capability to drive improvement.	Resource providing capability is in place, with any development needs identified.	Resource providing capability/internal change team has commenced relevant development.	Internal change team are actively engaged in improvement activity, with support.	Internal change team and leadership team have demonstrated their capability in outcomes.	Internal capability can support continuous improvement in prioritised KEY business areas, with support.	Internal capability can improve processes and focus on customers in MOST business areas, with limited support.	Internal capability can improve processes and focus on customers in ALL business areas, without support.	Business area has its own change capability to sustain continuous improvement and doesn't need external support. Internal change team prepare for wider cross functional end to end challenges.	Internal capability can problem solve and coach across functional boundaries.	Other areas of DWP regularly request expertise and advice. The business area is a showcase for continuous improvement.
Results measurement and delivery	Measures have not been set or agreed to support Defra's Business Performance Framework.	Senior management take lead in developing constructive measures, with ambitious targets aligned with customer needs and strategic challenges.	Initial measures and targets have been set. Leaders understand their role and accountability in achieving these targets and the need for a visual performance management approach.	Measures and targets have been communicated and discussed with people. People understand their roles and accountabilities in achieving the targets. Visual performance management information has been introduced.	Visual performance management is in place and targets are monitored and reviewed in team meetings with relevant discussion and problem solving.	A systematic approach to performance measurement is in place, actively reviewed by senior management. Problem solving activity is delivering improved results with less variability.	Problem solving is used systematically in teams to understand and correct performance losses.	Required performance levels have been achieved on key targets for the past 3 months. All members of the team are engaged in waste elimination activities to sustain improvements.	Good practice is shared between people/sites/areas with evidence of improved team performance. Senior team review targets to maintain challenge.	Teams continually challenge targets through visible performance growth. Leaders consistently review targets to drive challenge.	Performance measures reflect the strategic business and customer needs. Performance consistently exceeds agreed targets.
Customer	No understanding of who customers are.	Customers have been identified (internal and external) and their needs understood and quantified. There is awareness of the need to consider E2E processes.	Customer needs are communicated. People are aware of commitments made to the customer.	Information on customer needs is cascaded to people and measures are transparent. Clear visual displays indicate major customer groups.	Key work processes are designed around customer needs.	A process to understand customer needs is in place. Evolving customer needs are tracked and actioned. People understand how their work impacts the customer.	Regular dialogue with customers established. Teams are regularly updated about customer satisfaction levels.	Regularly meeting customer needs. People all aware of current satisfaction level for key customer groups in relation to their own work area and are striving to improve current performance.	Consistently meeting customer needs. Teams anticipate and initiate solutions before requests or complaints are lodged.	Consistently meets internal and external customer needs and manages customer expectations.	Active involvement with customers to create and deliver innovative processes and services.

<p>Process management</p>	<p>No evidence of formal, standard process management. Improvement processes are reactive, with many work arounds and inconsistencies across the business.</p>	<p>Some evidence of mapping of current process in key areas.</p>	<p>Evidence of future state process mapping agreed for key areas, with basic planning, control and evaluation in place.</p>	<p>The standard process is resourced and enabled effectively by people who are fully engaged. The process is aligned to customer needs.</p>	<p>People are fully engaged in working to the agreed standard and understand how to improve the standard. Measures and controls are agreed for process delivery.</p>	<p>Visual management and standard work is in place to drive and sustain continuous improvement.</p>	<p>Processes are continuously improved to drive out waste and improve built in quality.</p>	<p>Processes are designed to minimise waiting and delays, reducing throughput time and improving workflow.</p>	<p>Processes are designed to minimise the need for managerial intervention. The customer 'pulls' the service.</p>	<p>Process management is embedded within the line. Teams are fully self-sufficient.</p>	<p>All process outputs consistently meet customer needs over time, with stable or reducing resource.</p>
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ANNEX B – Delivery Bodies in the ‘Defra Network’

Executive Agencies

Animal Health and Veterinary Laboratories Agency
Centre for Environment, Fisheries and Aquaculture Science
Food and Environment Research Agency
Rural Payments Agency
Veterinary Medicines Directorate

Executive NDPBs

Agriculture & Horticulture Development Board (levy board)
Agricultural Wages Board for England & Wales
Agricultural Wages Committee x15
Commission for Rural Communities (CRC)
Consumer Council for Water
Environment Agency
Gangmasters Licensing Authority
Joint Nature Conservation Committee
Marine Management Organisation
National Forest Company
Natural England
Royal Botanic Gardens, Kew
Sea Fish Industry Authority (Levy board)

Public Corporations

British Waterways Board
Covent Garden Market Authority

Others

Broads Authority
Dartmoor National Park Authority
Exmoor National Park Authority
Lake District National Park Authority
New Forest National Park Authority

North York Moors National Park Authority
Northumberland National Park Authority
Peak District National Park Authority
Yorkshire National Park Authority
South Downs National Park Authority
Waste and Resources Action Programme
British Wool Marketing Board
Drinking Water Inspectorate

Non-Ministerial Departments

Ofwat - water services regulation authority
Forestry Commission