

Transforming DRO administration

In 2018, a collaborative improvement project between MaPS' legacy organisation the Money Advice Service, National Citizens Advice and Citizens Advice County Durham resulted in the piloting of a revised operating model during 2019/20 for administering Debt Relief Orders (DROs). This pilot produced significant gains to customer experience, process efficiency and cost when compared to the business as usual (BAU) operating model. It also offered a blueprint for the more efficient administration of DROs.



"I found the whole process very quick. Everyone concerned were very helpful and understanding. The process was explained in easy to understand detail. I feel like a whole weight as been lifted from my shoulders"

DRO Pilot Client

Average journey time



Successful journeys



Customer satisfaction¹



Cost per application²



Average tasks per journey



- Pilot operating model
- BAU operating model

In addition, survey results also evidenced significant positive impact on staff wellbeing and referrer satisfaction.

How transformation was achieved

A DMAIC (Define, Measure, Analyse, Improve, Control) project management approach, typical for operational

improvement endeavours, was adopted to deliver transformation. This approach was underpinned by a commitment to collaboration, evidence-based decision-making and creating a legacy of continuous improvement beyond this project.

1 Respondents agree or strongly agree with the statement *I'm happy with how quickly the Citizens Advice DRO Unit dealt with my case.*

2 Calculated by dividing total funding received between 1st July 2019 and 31st March 2020 by the total number of DRO applications made during that period. This figure **does not include** applications for referrals received by BAU operating model in previous fiscal years. BAU cost per application inclusive of legacy cases equates to £304.

Define	> Measure	> Analyse	> Improve	> Control
Identify potential problems/opportunities	Use existing systems to measure current process performance	Analyse measurement data to identify critical root causes	Process owners/operators lead in designing counter-measures	Ongoing measurement of relevant metrics to ensure stability of improvements and identify further opportunity
Agree initial project scope (revisit and update after Measure stage)	Introduce new measurement systems where gaps exist and beneficial/simple to do	Deepen understanding of root causes as far as data allows	Agree test/pilot plan	Leave legacy of measurement systems and understanding of Lean concepts and tools
Standard project initiation – resource allocation, time, planning etc	Revise understanding of problems/opportunities and update project plan		Deploy improvements	

Collaboration between operational stakeholders

Evidence based decision making

Legacy of continuous improvement

Lessons for the Lean administration of DRO applications

Understand system capacity

Map business processes and user journey from the point at which the customer decides their preferred solution is a DRO to the point at which a DRO application is made. *Some of these processes/journeys may be external to your organisation.*

Conduct ongoing time and motion studies to understand the effort required across the end-to-end journey, at individual task-level within that journey and by staff type. *Ongoing studies enable organisations to measure the impact of task- and process-level improvement activity.*

Measure from point DRO case received to point at which case is closed to understand user journey duration ('lead time'). Focus on variance of lead time as well as average lead time. *Reducing variation is critical to establishing a more certain foundation from which continuous improvement of user experience and operational efficiency can be delivered.*

Minimise waste within the system

While applying for a DRO is essentially a transactional commodity, system capacity is a scarce resource. The key, therefore, to improving efficiency is not to increase value add but reduce the quantity of system capacity which is wasted. The project found that waste within the system was primarily caused by waiting. Key causes of wait time identified:

- Capturing customer consents
- Gathering customer credit references agency data

- Accumulating other critically important customer information, such as proof of income
- Customer paying the £90 DRO application fee

Key measures employed to reduce waste include:

- Capturing client consents upstream, making availability of consents a requisite of access to system capacity
- Deploying behavioural change techniques throughout the user journey to encourage improved customer engagement
- Limiting access to system capacity for those customers able to pay the £90 DRO fee within 8 weeks of entry
- Switching to retrieval of customer credit reference agency via digital portal
- Standardising the way in which tasks are performed if/where appropriate
- Avoiding letting more work enter the system than the system has capacity to manage (*capacity can be increased by subsequently focusing on continuous efficiency improvements at task level, by adding further resources or a combination of the two*)

Measure process performance appropriately

Measurement systems should provide as close to real-time information as possible. High-level performance metrics should be concerned with understanding:

- Quantity of work entering the system
- Amount of work within the system
- Conversion of referrals to DRO submissions
- Conversion of submissions to DRO solutions set up
- Cost per DRO solution set up
- Lead time per DRO solution set up/ unsuccessful journey