The Municipality of Groningen in the Netherlands chose Capgemini’s new solution for the application and handling of subsidies, resulting in impressive efficiency gains and improvements in service.

The Situation
The Department of Contracts, Monitoring and Subsidies (CMS) of the Dutch Municipality of Groningen receives approximately 2,700 applications annually for subsidies from institutions in the areas of culture, sport, recreation, education, youth, welfare, care and minorities. Until 2009, the average lead time for such an application was 156 days while the general administrative law demanded a maximum turnaround time of only 56 days. The process for subsidy applications was hectic and unstructured, and no reports were made on progress or year to date spend. There was uncertainty about the division of roles between policy and implementation. In addition, there was no uniform method of implementation. Each file was processed in a unique way, resulting in long lead times.

Municipality of Groningen reduces processing times by over 75%

“First organize, then automate. That’s how you gain clear and relevant steps forward, in which the right information is present. And therefore better service.”

Roelof Dalstra
Department Contracts, Monitoring and Subsidies
The Solution

As part of a drive for professionalization, the municipality started to use the new Subsidy Information Management System (SIMS) in October 2011. SIMS is based on the MULTI-subsidies solution of Capgemini, which is developed with Be Informed software.

An early pilot with three subsidy schemes showed that this system provided the process support required. The staff of CMS was immediately enthusiastic about the user-friendliness of the application and the cooperation with the Capgemini teams. The application guides the user in a simple and transparent way through the subsidy process.

In parallel to the introduction, three important improvements were made to the subsidy process. Firstly, policy and implementation were formally separated. Due to this separation of functions, the tasks and roles of both areas were clarified. The processes were also greatly simplified and reduced to only three variants, depending on the amount of the subsidy. Finally, there was a shift in focus on simplifying the logistics and administration of the subsidy process, to reduce the time spent on substantive exceptions that could or could not apply.

The Department has now made a clear separation between the process of handling and deciding (the ‘flow’) and the substantive rules that apply (the ‘know’). All applications enter via one central point where they are recorded and assessed for completeness and accuracy on the spot. In accordance with the policy (known as AWB), formal timing of the turnaround will not start until the application is complete. An additional advantage of the separation of the ‘know’ and the ‘flow’ is that the rules are easier to customize if policy changes. This is in alignment with the case management guidelines set by the Quality Institution for Dutch Municipalities (KING). Finally, the rules have been simplified so much that now 80% of the applications can be handled semi-automatically. This leaves more time for complex applications, and for the application of specialist expertise.

The Result

The average turnaround time for handling an application has been reduced from 156 to 37 days. The Contracts, Monitoring and Subsidies department thus comfortably meets the statutory time limits imposed by policy. All the improvements in the processes and the shortening of turnaround times give the department more time for matters that really count, namely social goals for culture, sport, recreation, education, youth, welfare, care and minorities. Institutions applying for subsidies now receive the decision on funding for the year to come before Christmas, giving them timely notice. They also know what performance indicators the Municipality uses to implement its policy.

The Municipality of Groningen hosts the application on its own locations and is able to fine-tune the software to its business needs. However, Capgemini now also offers MULTI-Subsidies as a service to other Municipalities and organizations in the public sector.

The cooperation with the staff of the department was very positive right from the beginning. After the promising proof of concept, a letter of intent followed quickly. Both parties worked intensively and constructively together in order to get a good result.

For more information on this project, please contact: success.story@capgemini.com