

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

8 MARCH 2007

CUSTOMER FIRST PROGRESS REPORT

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1. Purpose of Item

- 1.1 This report highlights progress across the Customer First programme since the last update report to this Committee on 27 July 2006. At the request of the Committee, it specifically looks at the value of the Contact Point network and progress made in achieving the efficiency gains required by the invest to save proposal, which was agreed by Council on 3 November 2005. With Phase 1 of Customer First successfully implemented and Phase 2 well underway, the report further presents, for Member review, a restatement of the aims and purpose of the programme and a view as to its future direction and priorities.

2 Recommendation

- 2.1 The Committee is asked to note progress since the last report and comment on the future direction and priorities of the programme as described at item 8.

3 Introduction

- 3.1 Customer First has achieved a great deal and is recognised both locally and nationally, being shortlisted last year for Municipal Journal and E-Government Awards, as a successful change programme, providing easy and convenient access to improved council services and measurable performance and efficiency gains. The programme aims to provide customers with easy access to Council services and ensure, whatever the method of contact, a consistent, high quality and efficient service is provided. This is being achieved through new ways of working, making the best use of technology and through staff training and development.

4 Development Highlights

- 4.1 Work continues as planned on improving the performance and efficiency of the Customer First operation through the better use of technology. The aim is to further improve our 'One and Done' performance; ensuring customers need

only contact us once with their enquiry or information request, that every customer is fully satisfied with the way their enquiry is received and to ensure front and back office systems are able to seamlessly talk to each other, eliminating bureaucratic procedures and inefficiencies.

4.2 ICT System Upgrades

- 4.3 The upgrade of the Revenues and Benefits Document Management System (Comino) in mid-January is helping Contact Centre staff handle Revenues and Benefits calls more efficiently. The new system is much easier to navigate and staff are able to input more information at the time of the call rather than updating after the call as before. Whilst it is too early to fully quantify the impact of the upgrade, signs are that it will have a positive impact on productivity with many staff commenting how much easier it is to use.
- 4.4 Work further continues as planned on the upgrade of the Contact Centre's Customer Relationship Management System. This again will make the system easier for staff to use and will offer enhanced management information and security features. Through automatic prompts, the upgrade will further guide Customer Service Officers through each enquiry, ensuring the right, and more importantly, relevant question is asked, and information is communicated at the correct time. As a result, the knowledge and expertise of the most experienced CSO will be applied to every customer contact. The new system is due to go live in April, subject to final testing and staff training.

4.5 Working with the PCT

- 4.6 Since the last report the Contact Centre is now providing a switchboard service, under a Service Level Agreement with the Medway Primary Care Trust, for the new network of Healthy Living Centres. This arrangement is working very well, to the extent that preliminary senior level discussions have been agreed to explore other possible commercial ventures, which would see the Contact Centre handling additional enquiries on behalf of the PCT, such as appointment booking and confirmation.

4.7 Children's Care

- 4.8 From 15 November, under the Joint Area Review (JAR) action plan, the Customer First Adults and Children's Team (CFA&C Team [formerly Access and Information Team]) became the first point of contact for the public and professionals wanting general information on services to children and their families. In response to the findings of the JAR, and criticism about the control of the referral process, this team is also now the only channel through which professionals and the public may raise a referral.
- 4.9 Previously, professionals or the public had a range of choices as to how they might contact Children's Care and request a referral. The JAR report commented how this multi-channel approach undermined control and quality assurance arrangements. To establish the required level of control, all requests are now channelled through the CFA&C Team. This team captures the required

information to determine eligibility and this information is then emailed to the appropriate Area Integrated Team (AIT).

- 4.10 The receiving AIT determines eligibility and assigns qualifying cases to a social worker. Where there is no service entitlement, the AIT advise accordingly and signpost to possible alternative sources of help/support.
- 4.11 As part of the review of the implementation of our JAR action plan, the Department for Education and Skills (DfES) monitoring team will be visiting us quarterly to review progress. The first of these visits, known as 'Deep Dives', took place over 14 and 15 December and the visiting team were specifically asked to review how the new enquiry handling arrangements were working. At the time of the visit the inspectors said they were impressed by what they had seen and in their report categorised the new arrangements as very good, going on to say that this element of the JAR had been fully and effectively implemented.

4.12 Pupil Services Enquiries

- 4.13 From 31 January 2007, free school meal and school transport enquires have been received by the Contact Centre, with only the most complex enquires being passed on to the service team. It is further intended that School Admission enquiries will be handled in this way from June 2007.

5 Contact Centre Performance

- 5.1 The Contact Centre takes around 65,000 calls and receives around 2300 e-mails each month. The Contact Centre's target of 80% 'one and done' is consistently exceeded.
- 5.2 The Kent Customer Services Network recently mystery shopped all Kent local authority customer services functions. Customer First achieved the highest score of all the operations surveyed and this pleasing result is further reflected in the 73% satisfaction rating the service achieved in the 2006 Residents' Opinion Survey.
- 5.3 Customers are also regularly surveyed to judge the extent to which the service is meeting expectation and to identify improvement opportunities. Customers contacted have been overwhelmingly positive about the way their enquiry was handled and about the professionalism and friendliness of staff. This is further reflected in the number of unsolicited compliments received from customers going out of their way to praise the service received.
- 5.4 However, from feedback there is clearly still work to do on how quickly we answer calls when we are busiest. The investment in system upgrades previously discussed should have a positive impact but a broader improvement and development strategy is outlined in more detail later in this report.

6 Contact Point Network

- 6.1 The Council currently has a network of four high street Contact Points (also known as One Stop Shops), which provide local people with a convenient place to get face-to-face help and information on a wide range of Council services. When the new Strood Contact Point opens later this month (March 2007), another joint venture with Kent Police, the Council will have a Contact Point in each of Medway's five main town centres.
- 6.2 Currently, approximately 3,500 people visit the Contact Point network each month. The long-established Chatham Local Office receives an average of just over 2,000 visitors each month. The Rainham Contact Point, the first joint venture with Kent Police, which opened on 4 August 2005, sees on average 1000 visitors each month. Numbers attending the more recently opened Contact Points in Gillingham and Rochester continue to improve. The Contact Point in the refurbished Gillingham Library, which opened on 20 March 2006, has lately been serving just over 300 visitors each month, whilst the Contact Point in the Rochester Visitor Information Centre, which opened on 3 April 2006, currently sees just under 200.
- 6.3 The average cost of each face-to-face contact through the current Contact Point network is £7.82. This compares very favourably against benchmark data published by the Office of the Deputy Prime Minister in March 2006, which reported the average face-to-face transaction cost across local government as £9.
- 6.4 This transaction figure has been achieved through minimisation of overhead costs by taking advantage of existing facilities where possible, such as Gillingham Library and Rochester Visitor Information Centre, and by making the full use of facilities; for instance the Rainham Contact Point is also the base for the Rainham Town Centre Manager and Chatham Local Office is now the base for a member of Project REIGNITE (this is a partnership initiative, led by Medway, providing employment support within five targeted Medway neighborhoods).
- 6.5 The costs of Rainham Contact Point are further shared with Kent Police. Past investment in technology, not least in our Customer Relationship Management System (CRM), has also helped to keep costs down by ensuring Contact Point staff are always fully occupied. When not serving a customer, Contact Point staff are able to access the CRM and process e-mails and e-forms received by Customer First, making the best use of their time and easing the pressure on the Contact Centre.
- 6.6 Over the last week of October 2006, customers visiting a Contact Point were asked why they had chosen to visit rather than contact the Council in another way. The majority of people questioned (76%) said they had come to the Contact Point because it was convenient for them to do so, whilst 48% also said they preferred to talk to someone face to face.

6.7 Feedback further suggests that each of the Contact Points has resulted in added benefits, beyond improving access to Council services and offering a more personalised service valued by local people. The Rainham Contact Point, being a joint initiative with Kent Police, has raised the profile of community safety in that area, thus addressing a key concern of residents. The Rochester Contact Point has attracted local people to the Visitor Information Centre, who might not have had cause to visit otherwise. The Gillingham Contact Point is assisting in placing the library at the heart of the community, due to the more comprehensive range of advice and information it is now able to provide as a result of the co-location.

7 Invest to Save

- 7.1 On 3 November 2005, Council agreed a proposition to finance the £776,000 cost of the next phase of the Customer First Programme through prudential borrowing on an 'invest to save basis'. The cost of borrowing will be met through efficiency gains and management rationalisation opportunities afforded with the introduction of new services into the Contact Centre. Under the proposal the principal sum plus interest is to be repaid over a 5-year period from savings generated from the investment and with savings thereafter being released to the benefit of the overall Council budget. The annual savings target for each of the next 5 years to repay borrowing is £175,500.
- 7.2 The last report to this committee profiled how these savings were to be achieved:
- Through the rationalisation of management structures – Recurring saving of £69,500
 - Through the reorganisation of the CF supervisory team – Recurring annual saving of £55,500
 - Through the continued streamlining and automation of processes – Recurring annual saving of £23,000
 - Through income generation - £20,000 per annum.
 - Project management savings target. Recurring saving of £7,500.
- 7.3 Customer First is on target to deliver the above savings plus a further savings target arising from the financial challenges currently facing the Council. Beyond this, through the effective management of the Customer First operation and tight financial control, a further small underspend is predicted on the Customer First revenue account by year-end.
- 7.4 On the invest to save capital account, spend is in line with profile and a balanced outturn is forecast. The actual and committed capital spend to date is as set out overleaf:

Item	Spend to Date	Committed	Total
Onyx CRM System Upgrade	140,927	63,481	204,408
ICT Technical Consultancy	37,580	39,640	77,220
System Integrations		100,000	100,000
Deloitte Professional Services	238,584		238,584
Computer Hardware	20,436	8,263	28,699
Computer Software	56,930	110	57,040
Misc / Contingency	14,359	55,690	70,050
Totals	508,816	267,184	776,000

8 Future Direction And Priorities

- 8.1 Working with our strategic partner, Deloitte, the Customer First programme was considered against national best practice (specifically, the National e-Service Delivery Standards and The Better Practice Guidance for Government Contact Centres) and the new transformation agenda for Local Government - better access to better services enabled by technology. From this work, the following restatement of the purpose and aims of Customer First has emerged:

Through Customer First we are putting our customer at the heart of everything we do. We will focus on and prioritise:

Excellence – *In the quality of the services provided. This will be achieved by listening to and working with our customers and our people and genuinely shaping services around what they have to say. We will measure our progress against what our customers and people tell us is important and against national best practice, including working to gain Charter Mark status.*

Efficiency – *By doing more for less and achieving real savings, through the streamlining of internal processes and working arrangements. We will further reduce costs through the development and promotion of self-service via the web, and by assuring the quality of our telephone service, so that customers only need to visit one of our Contact Points when it is genuinely more convenient for them to do so.*

Equality – *By ensuring our services are genuinely accessible and by taking positive steps to address language, cultural, physical or other barriers, including and through tailoring services to specifically meet the needs of our customers.*

E-service – *By ensuring our website is fully transactional and is easy to use with a consistent and comprehensive look and feel and through the ongoing integration of internal systems.*

Enterprise – *Through internal collaboration and partnership with other organisations and agencies, expanding the range of services provided through Customer First on a commercial basis and generating income to support the service and invest in service development and improvement.*

8.2 The review further considered potential barriers on the road to achieving the purpose and aims of the programme – current issues that if not tackled could inhibit, and potentially stall, progress. The proposed development priorities for the programme and associated actions are set out below.

- A)** To better measure service outcomes from a customer perspective and systematically use that information to inform service design and development through the:
 - Development / implementation of a more balanced suite of qualitative and quantitative performance indicators and the publication of results.
 - Establishment of service and thematic Customer User Groups to better understand the influences on customer satisfaction and inform service design.
 - By committing to and achieving Charter Mark accreditation within 18 months.
- B)** To better ensure consistency of service offer and quality across access channels by:
 - Presenting elected members with options as to the next range of services to be integrated into the CF operation.
 - Developing and implementing a Contact Point Service Development Plan.
 - Introducing intelligent call routing into the Contact Centre with call assignment by CSO competency profile.
 - Establishing a new outreach contact channel with field workers equipped to run mobile surgeries and deliver customer service to those unable to use alternative facilities.
 - Empowering all front office staff to approve eligibility, supported by technology.
- C)** To prioritise the development of a fully transactional web channel by:
 - Establishing a web development steering group.
 - Reviewing e-forms capability against requirements of transactional website.
 - Developing and implementing a web development action plan.
- D)** To further improve key processes and transactions costing to assist the identification and measurement of savings opportunities by:
 - Standardising the methodology for calculating process and transaction costs.
 - Calculating primary process and transaction costs and benchmarking.
 - Determining and apportioning savings expectations against process / transaction cost model.

- E) To review governance arrangements to ensure appropriate service representation.
- F) To continue to ensure IT investment decisions are made within a corporate IT development framework by:
 - Ensuring future system development / integration work is prioritised against and aligned with the needs of current and new access channels.
 - Adopting more formal techniques to manage development of increasingly complex integration requirements in order to maximise the benefits of an integrated IT infrastructure.
 - Ensuring integration with legacy systems and future government systems continues to be in accordance with the e-Government Interoperability Framework.
- G) To extend the use of Business Process Reengineering (BPR) across the organisation and to establish it as a key tool of service evaluation and redesign by:
 - Establishing a council-wide approach to process redesign.
 - Reviewing back-office processes for services already transitioned into CF, ensure end-to-end process alignment and that process redesign opportunities have been fully optimised.
 - Undertaking end-to-end process review of all services transitioned into CF in the future.
- H) To improve the approach and methodology for the reassignment of budgets as a consequence of the introduction of new ways of working by:
 - Reviewing the model, in the light of experience, for agreeing how services will be funded when they are transitioned to CF.

9 Legal And Financial Implications

- 9.1 Any that arise are contained within the report.

10 Conclusion

- 10.1 This report highlights that much has been achieved with Customer First but there is still work to be done. The development priorities outlined in this report, and established through a detailed analysis of the current situation, provide a route map, subject to Member agreement, to achieving ‘best in class’ status and ensuring that our customer remains at the heart of everything we do.

11 Contact For Further Details

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