

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 14 NOVEMBER 2017

Title of Report	DIGITAL TRANSFORMATION PROGRAMME
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Purpose of Report	1. To provide Members with details of the Council's Digital Transformation Programme.
Reason for Decision	<p>1. To ensure Members are aware of the programme's details, progress, timescales and costs.</p> <p>2. To obtain support from Members for the programme and its objectives.</p>
Council Priorities	Value for Money Building Confidence in Coalville
Implications:	
Financial/Staff	As detailed in the report
Link to relevant CAT	No direct link
Risk Management	As detailed in the report
Equalities Impact Screening	N/A
Human Rights	N/A
Transformational Government	Complies with the three key areas of the strategy – citizen and taxpayer benefits; the efficiency of corporate services and internal infrastructure; and the effective use of technology.
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	The report is satisfactory

Comments of Monitoring Officer	The report is satisfactory
Consultees	None
Background Papers	None
Recommendations	<p>THAT CABINET:</p> <ol style="list-style-type: none"> 1. APPROVES THE AIMS AND PROCESS OF THE DIGITAL TRANSFORMATION PROGRAMME. 2. APPROVES THE ALLOCATED FUNDS OF £197K FROM RESERVES TO ENSURE DELIVERY OF THE INITIAL PHASE OF THE PROGRAMME. 3. NOTES THAT FURTHER UPDATES WILL BE BROUGHT TO CABINET AS THE PROGRAMME PROGRESSES. 4. NOTES THAT ADDITIONAL FUNDS WILL BE REQUIRED TO ENSURE THAT THE COUNCIL IS FULLY DIGITISED AS FAR AS IS PRACTICABLE, TO ENSURE IT KEEPS UP WITH CUSTOMER TRENDS AND EXPECTATIONS IN BEING A FLEXIBLE, EFFICIENT, EFFECTIVE AND MODERN ORGANISATION, AND REPORTS WILL BE BROUGHT TO CABINET AS REQUIRED FOR FUTURE PHASES.

1. BACKGROUND

- 1.1 The Council is committed to modernising the way it operates as reflected in the Customer First Programme that is being developed. The Customer First Programme will set out a vision for putting customers at the heart of everything we do and will be presented to Members later this year. The Programme will include cultural change, a focus on performance improvements in the delivery of customer services, and ensuring all customer service locations are welcoming and accessible to residents. We aim to have a 'One Council' culture, and invest in our staff to develop a more flexible, adaptable and empowered workforce. One aspect of modernisation is to take full advantage of contemporary technology through the development of digital services.
- 1.2 The use of digital services is now an engrained way of everyday life. From requesting doctors' appointments, undertaking bank transactions, buying goods and services and booking holidays, digital services offer wider choice, customer convenience, corporate flexibility and significantly reduced costs via automated processes and minimal manual interventions. Until fairly recently Local Government was far behind most industries but this has changed significantly in recent years and councils including NWLDC cannot afford to ignore customer trends and expectations.
- 1.3 Customer expectations continue to grow regarding digital capabilities and a number of local authorities have begun to develop AI (artificial intelligence) and other intuitive capabilities. As more public authorities and private companies adopt this as part of their standard framework for interacting with customers, the more customers will see this as the norm and its absence will impact unfavourably on the Council's reputation and how it is seen by residents, businesses, partners and potential investors.
- 1.4 The Council's existing 'online' processes currently require a high degree of intervention. A typical process is that customers fill out a form online but the information is emailed to an inbox, downloaded and re-keyed into different systems. Sometimes this information is sent to another processor and this is re-keyed in. In some instances, such as to pay for services, the customer

is subsequently phoned up to make the payment after filling in the online form. This approach results in customers being frustrated with the different channels imposed on them, the time restrictions on completing transactions (due to opening hours) and the time it takes to get the transaction completed due to waiting for the phone call or having to travel to the council building. It is also an inefficient system from the Council's perspective.

1.5 The aims of the digital transformation programme are to completely transform the way we interact with customers by modernising our approach to customer service delivery, improve and quicken processes and generate efficiency savings that can be reinvested into frontline services. Key benefits include:

- a) Customers can choose when they interact with us. They are not constrained by our opening hours.
- b) Automated, integrated processes mean that responses can be immediate where possible such as booking a bulky waste uplift and having a choice of dates automatically made available so that the customer can complete the transaction even outside Council opening hours.
- c) Relevant information can be requested and processed at once without the need for the customer to be contacted for further information.
- d) Having integrated systems means that information can be directed correctly to various repositories and processed with accuracy without the need to re-key it again and again into multiple systems.
- e) Processing times are substantially quicker as customers do not need to wait in a telephone queue or wait for an advisor to call them back with a date or for payment. This is illustrated in the examples below which show the current processes and those for the same services after transformation.

Missed Bin Collection	PRE TRANSFORMATION	Call Customer Services (CS)	CS check collection round progress	CS check property logs	CS enter details on Whitespace , if no logs. NFA if log found	Back office double check missed report	If acceptable report sent to crew to be collected
	POST TRANSFORMATION	Customer fills in form, which checks logs and progress	Back office send job to refuse vehicle iPad to be collected	Crew collect missed bin			
Bulky Collection Request	PRE TRANSFORMATION	Call Customer Services (CS)	CS enter details on Whitespace	Check Academy system for benefits or Payments to take payment	Check for next available slot and raise job	Back office send to crew for collection	Crew to pick up
	POST TRANSFORMATION	Customer fills in form, which either checks for benefits ref. or takes a payment and books a slot	Back office send to crew for collection	Crew to pick up			

f) The significant savings realised can be reinvested into frontline services. The Society of IT Managers (SOCITM) compared the average costs of customer interactions as follows:

- Face to face interactions - £8.62
- Telephone interactions - £2.83
- Digital (online) interactions - £0.15

This means that 1,000 customer queries, requests or transactions in a month would cost approximately £8,620 for face to face meetings, £2,830 for telephone conversations and £150 to do it online.

- g) Customer Service Advisors can be freed up to concentrate on helping the more vulnerable customers or on very complex issues that need a significant amount of time.
 - h) Field officers can process customer information in real time and without having to travel back to the office.
 - i) Customer information can be managed and collected more effectively and can be used to improve the provision of services and the targeting of relevant information.
 - j) The capturing of information to improve business services and processes and inform policy decisions is greatly enhanced.
- 1.6 In August this year, the Council engaged Firmstep to work with it to review, design, build and integrate various processes in Waste and Environmental Services so that customers would have the option of a complete online offering, whereby they could report issues such as graffiti, a missed bin collection or dog fouling at their own convenience, order and pay for a bulky uplift or apply for a licence. All this would be processed more quickly yet at a much lower cost to the Council.

2. FIRMSTEP

- 2.1 Firmstep is a software company that has developed interactive electronic forms, branded as Achieve Forms and provides a cloud-based Customer Experience Platform and web-based portal, which creates a single, centralised interface through which all customer interactions, online and offline, can be managed. In addition to other organisations, it provides its services to over 150 councils UK wide, which accounts for 36% of the local government market. It provides forms training, onsite consultancy services, project management capacity, formal (helpdesk) and informal support and advice: and very importantly, considerable insight and information on what other councils are doing and have done, and who to contact for additional support or detailed information.
- 2.2 The Council initially engaged Firmstep in 2012/13 with a view to use its platform, at which point it procured software including e-forms and licences. However, it was decided at the time to use another company to implement the system and this mixed approach resulted in very limited development and use of the platform. This has resulted in NWLDC lagging behind in terms of providing modern, value adding customer services and this needs to change.

3. THE JOURNEY SO FAR

- 3.1 An internal team has been formed, led by the Interim Head of Transformation and consisting of the ICT Manager and seconded officers from Leisure Services, Business Improvement and Customer Services. This core team is working alongside Firmstep to ensure the programme is delivered. As mentioned in paragraph 1.5, the two initial areas to be digitised are Environmental Services and Waste Services. Several in depth sessions have taken place to map out current services, review what could be done differently as informed by best practice, utilising the team managers' knowledge of the industry and what the trend of customer complaints and comments indicates. Scoping exercises collated outcomes from the sessions and these scoping documents are the roadmaps for the forms and integrations to be built, the systems to be tested and the final products to be launched. The latter will be tied into the launch of the Council's new website, which is being developed.
- 3.2 The two areas were chosen due to the volume of customers. Housing Services was initially considered but has been deferred until its new ICT system has been procured. Revenues and Benefits is also an area that has a very high volume of customer interactions and would provide significant benefits if a fully functioning and integrated online process could be established. The Revenues and Benefits Partnership is currently developing a similar system aimed at achieving these objectives and the Transformation team is working closely with the Partnership to ensure

NWLDC's customers fully benefit from the proposals by being involved in the testing and ensuring maximum integration between the two systems.

4 NEXT STEPS

- 4.1 The team aims to complete digitisation within the two service areas by the end of December this year. Challenges have arisen due to the volume of investigations, re-mapping and re-designing that needs to take place so it is possible that completion might take place early in the new year. One example of this is that the Council does not have an online payment mechanism set up for most areas and discussions will need to take place with its existing systems provider. Nonetheless, it is imperative that this development stage is not rushed so that the Council delivers a resilient solution which delivers the intended benefits. Once the build and testing programme has been finalised by Firmstep a definite timeline will become clear.
- 4.2 A robust communication (marketing) strategy is critical to the success of the programme as customers must know what is on offer and how it benefits them both directly and indirectly. A communication strategy is being devised and will consist of advertising using various media (radio, moving vehicles, daily face to face interactions etc.), bolstered by competitions to generate awareness and act as an incentive.
- 4.3 Internal sessions and general updates will continue to be held with / provided to, officers and a Member workshop will be scheduled to take place by the end of the year. Focus group sessions with members of the public are also being arranged and this will tie in with the new website (paragraph 3.1 refers).
- 4.4 Collaborative relationships are being developed with other councils (such as with Corby BC and Leicestershire County Council) to share ideas, developments and best practice. Collaboration with Corby has resulted in the free transfer of processes worth around £25k. Also, the team is seeking to form a regional users group in addition to the online users forum set up by Firmstep. This regional group would facilitate the sharing of best practice, skills, knowledge and achievements, which should significantly reduce development and build costs for the benefit of all member organisations.

5 FINANCIAL INFORMATION

- 5.1 The contract value with Firmstep for this phase of the programme is £97k and Cabinet is asked to note and approve this contract. Internal costs, which include staff back-fills, training and integrations are estimated at £90k. It is proposed to meet these costs from currently unallocated earmarked reserves. It is also proposed to set aside up to £10k to fund the marketing and awareness strategy detailed in paragraph 3.2, also to be met from unallocated earmarked reserves.
- 5.2 It should be noted that further funding will be required to digitise the remaining services across the Council and this will form phase 2 of the programme, with further details being presented to Cabinet along with costs and savings projections.
- 5.3 Councils that are further ahead than NWLDC continue to publish achieved or estimated savings from different aspects of their digital transformation programmes. These are being scrutinised and will help inform the project team on the nature and magnitude of the future financial benefits digital transformation can bring to the Council .

6 RISKS

- 6.1 There is a risk that the programme or its momentum could stall due to a loss of officer capacity and / or skills. The Interim Head of Transformation and other officers currently seconded to the project are in place until the end of December, with the option existing to extend the latter arrangements. It is critical to have a core team that can drive the programme across the authority. Councils that have achieved successful transformation in customer services have had dedicated officers ensuring that the programme is developed, delivered and refreshed as required. The digital transformation programme is one element of a wider Council Customer First programme which will form part of the new senior management structure proposals which will be presented to Members at full council in January. These proposals will ensure sufficient resources are identified to progress work in this area.

- 6.2 There is a risk that this phase of the programme could overrun. However as stated earlier it is critical that the development stage is executed properly in order to achieve the considerable future gains. A lot of information, knowledge and expertise currently being acquired will ensure that subsequent phases are easier and quicker to get through. Implementation of the programme will also follow project management principles (including agreed timelines, resource planning and milestones) which will further mitigate this risk.
- 6.3 There is a risk that there will be inadequate take up by customers. If this is the case, the considerable gains envisaged will fail to materialise. This is being mitigated by the communications and marketing strategy detailed in paragraph 3.2 above.
- 6.4 There is a risk that the new system(s) could fail thereby putting customers off and damaging the council's reputation. This will be mitigated by robust testing both by Firmstep and the core team and using soft launches.
- 6.5 With the increased flow of online information, there is an increased risk of cybercrime. This will be mitigated by having a rigorous approach to cybersecurity as evidenced by our existing accreditation and ensuring inbuilt safeguards are robustly maintained.
- 6.6 New skill-sets, ideologies and protocols will need to be developed to ensure this transformation is fully embedded and sustainable. There is a risk that there is no accompanying cultural change within the council. This is being mitigated by working closely with managers and officers to redesign services and build the processes. It should be further mitigated through the organisational development strategy and delivery of the Customer First Programme..
- 6.7 There is a risk that NWLDC only utilises a portion of the Customer Experience Platform. This has a high credence factor but the detriment is exponential. The current mitigation is the embedded team ethos and extensive research and collaboration with other authorities, which has highlighted the full range of potential benefits. Having a dedicated team of officers delivering the digital transformation council-wide provides future mitigation to this risk as outlined in 6.1 above.