

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 13 JANUARY 2015

Title of report	IMPROVING OUR CUSTOMER EXPERIENCE PROGRAMME UPDATE
Key Decision	a) Financial No b) Community No
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Purpose of report	To update Cabinet on progress with the Improving our Customer Experience (ICE) Programme.
Reason for Decision	To note the progress of the ICE Programme
Council Priorities	Value for Money
Implications: Financial/Staff	As contained within the report
Link to relevant CAT	The Programme is being undertaken with a project management methodology, reporting to a Programme Board led by the Chief Executive. Detailed progress reporting is provided to the Corporate Leadership Team (CLT).
Risk Management	A risk assessment for the programme has been undertaken. Risks are identified through a risk register, with planned mitigations and actions to minimise impact. They are routinely reviewed and updated to ensure appropriate control.
Equalities Impact Screening	EIAs will be undertaken for those individual projects where it is appropriate.
Human Rights	None discernible from the body of the report
Transformational Government	Programme will deliver improvements to service delivery
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory
Comments of Deputy Monitoring Officer	The report is satisfactory

Consultees	ICE Programme Board
Background papers	<p>Developing a customer service vision for North West Leicestershire (Cabinet 17 July 2012)</p> <p>General Fund and Special Expenses Revenue Budgets 2013/14 (Cabinet 5 Feb 2013)</p> <p>Medium Term Financial Strategy - 2014/15 to 2017/18 (Cabinet 11 June 2013)</p> <p>Improving our Customer Experience (Cabinet 5 March 2013)</p> <p>Improving our Customer Experience Programme Update (Cabinet 24 September 2013)</p> <p><u>Improving our Customer Experience Programme Update (Cabinet 4 March 2014)</u></p> <p><u>Provisional Financial Outturn 2013-14 (Cabinet 29 July 2014)</u></p>
Recommendations	THAT CABINET NOTES THE PROGRESS OF THE ICE PROGRAMME

1. BACKGROUND

- 1.1 In July 2012, Cabinet agreed a strategic approach to the improvement of customer services. In addition Cabinet approved, through the General Fund budget paper in February 2013, a further transfer to the Value for Money Fund to support investment in projects aimed at delivering future savings.
- 1.2 In March 2013, Cabinet endorsed the Improving our Customer Experience (ICE) Programme as one of the Council's processes for securing improvements in customer experiences and budget savings. In addition, Cabinet agreed through the Medium Term Financial Strategy report at the June 2013 Cabinet meeting to set aside £250,000 from the Value for Money Reserve for the ICE Programme, in addition to £70,000 already agreed in the capital programme.
- 1.3 In September 2013 and March 2014 Cabinet noted updates on the development of the ICE programme, setting out the programme governance structure, work streams, key projects and budget.
- 1.4 In July 2014, Cabinet approved the allocation of £300,000 from the Value for Money Reserve for Phase 2 of the ICE Programme, and an additional £100,000 from the Value for Money Reserve for the Best Employee Experience (BEE) Staff Development Programme.
- 1.5 The ICE programme aims to significantly improve our customers' experience of service delivery, so they receive services that they value, in the most efficient and accessible way, when they need them. The programme focuses on providing technological improvements to enable our staff to provide an improved service, open up income generating opportunities, and developing digital service delivery to enable customers to interact with the Council in ways that they find are convenient, efficient and cost effective.

- 1.6 Longer term cultural change for the organisation and its personnel will ensure continuous improvement, enabling the Council to maximise opportunities presented by new and emerging technologies.
- 1.7 Phase 1 of the programme will be completed in Quarter 4 2014-15 once the first tranche of technology improvements identified in the reports presented to Cabinet in September 2013 and March 2014 have been delivered.
- 1.8 Phase 2 will also commence in Quarter 4 2014-15 with a focus on customer and staff communication to drive channel shift across all services. It will embed and extend the technology improvements delivered in phase 1 increasing the range of services that can be accessed online via the website and deliver projects to improve office and business efficiency, for example by using tablet computers and document scanning systems within the Council offices. These efficiency improvements will free up staff time to work more closely with customers, ensuring service development is focused on the areas our customer value most.
- 1.9 The programme will leave an improved technological infrastructure to allow staff to serve customers more efficiently and customers to have access to a wider range of self-service options; delivering dynamic services that utilise technology and support customers to become more independent of the Council.

2. ICE PROGRAMME GOVERNANCE STRUCTURE UPDATE

- 2.1 Four work streams were created to deliver phase 1 of the programme, reporting monthly to the ICE Programme Board, which is led by the Chief Executive:
 - 2.1.1 Customer Services Improvement workstream – Lead: Head of Legal & Support Services
 - 2.1.2 Web & Self Service Improvement workstream – Lead: Head of Housing
 - 2.1.3 Systems Improvement workstream – Lead: Head of Community Services
 - 2.1.4 Delivering Excellence workstream – Lead: Head of Legal & Support Services
- 2.2 The projects set out for the Customer Services Improvement workstream have been completed and the planned customer improvements are being consistently delivered so this workstream has been closed down.
- 2.3 The other workstreams are currently under review as part of the transition to phase 2 of the programme. Details of any updates to the governance structure will be provided in a future update to Cabinet.
- 2.4 Programme benefits and impacts continue to be monitored both through the Programme Board and the Corporate Leadership Team (CLT), with any resultant decisions being taken through the Programme Board, CLT or Cabinet as appropriate to delegated authority levels. The scope of the ICE Programme, and specifically the work of the Programme Board, has been extended to include oversight of all corporate projects. This change is to allow efficient management of resources across all projects and to avoid any risk associated with overlapping or conflicting requirements or priorities.

3 PHASE 1 WORKSTREAM PROGRESS UPDATE

3.1 Customer Services Improvement workstream

This workstream focused on making it quicker and easier for our customers to contact us by telephone and at the Council offices by making a number of technological improvements targeted to improve the efficiency of Customer Services processes. Improvements

implemented in October 2013 include call recording, call centre wallboards, telephony improvements, a front desk queuing system, CCTV for reception and improvements to the call centre environment.

Customer feedback is collected through telephone surveys and the use of a standpoint system in the reception area for visitors to the Council offices, with customers consistently reporting overall satisfaction levels in excess of 95% for the telephone and face to face channels.

In addition to the service benefits, efficiencies in the Customer Services operation have meant that it was possible to reduce the size of the team by not backfilling a temporary vacancy, yielding a cost saving of £27,000 per annum against ICE expenditure of £52,000. The service improvements are therefore self-funding with a payback period of less than 2 years.

The planned customer improvements are being consistently delivered so this workstream has been closed down; reporting to Cabinet will continue via quarterly performance reports.

3.2 Web & Self Service Improvement workstream

This workstream has given our customers online access to an increasing range of self-service options at a time and place of their choice through changes to the Council's website implemented in June 2014, which has been re-designed to make it easier to find information and enhanced to support smart phones and tablet computers.

As the drive to encourage customers to interact with the Council online continues and use of the website increases, data collected from the website will be analysed to allow focused development of additional services where usage patterns suggest that they will be most valued by customers. In order to validate this analysis, customers will be surveyed using new mechanisms delivered through this workstream including text messaging and online surveys.

The same computer system (the Customer Gateway) that offers self-service options to our customers via the website will be used by Customer Services Officers from Quarter 4 2014-15 onwards, giving them quicker access to other Council ICT systems. This will improve our customer experience by reducing the duration of phone calls and face to face appointments, and allowing more issues to be resolved at first point of contact.

The new website and customer gateway system were used to support voting for the £20,000 for 7 Community Funding Initiative in October and November, with over 2,000 customers registering online accounts to allow them to vote and opt to receive updates on future website development. These same accounts can be used to further simplify online interaction with the Council, since once a customer logs on they will not need to enter their address or contact details again. The system proved stable and reliable with no significant issues encountered during this first large scale interactive use of the new website.

As well as giving customers the convenience of accessing a wide range of Council services at a time of their choosing, the lower cost of online access will deliver financial benefits. In order to achieve payback in a 3 year period, a target of 45 high-value customer interactions per day must be established, which will reduce Customer Services costs by an estimated £40,000 per annum. As at December 2014, 12 transactions per day are being completed. It is expected that this number will increase significantly in Quarter 4 2014-15 as new online options for accessing waste services are introduced.

It is anticipated that this workstream will be closed down once the planned benefits are consistently being delivered. Ongoing development of the website will become the responsibility of a Website Improvement Group.

3.3 Systems Improvement workstream

There are two separate threads to this workstream:

- A new waste management system has been procured and is in the final stages of development and testing, ready to go live in Quarter 4 2014-15. The new system will make it quicker and easier for customers to request services such as replacement bins or bulky waste collections, either on the phone or via the website, as well as reducing operating costs by helping us manage assisted collections, missed bins and other planning processes more efficiently.
- Customers will be offered more electronic payment options to reflect changing demands and customer preference. These will include an option to set up Direct Debits online for services such as trade waste collection or Lifelines and a single easier to use card payment system for use by all services. It was anticipated that these improvements would be delivered by December 2014, but this work has been delayed because of the Co-Operative Bank's withdrawal from the corporate banking sector and the need to establish new banking arrangements. Work has now restarted, with the planned improvements due to be in place by April 2015.

3.4 Delivering Excellence workstream

Our customers expect us to focus improvements on the services and issues that are important to them. This workstream is ensuring that the ICE Programme does this by undertaking customer consultation and reviewing feedback to help deliver customer-focused improvements. The workstream is also making sure that changes are made in a cost effective and timely manner and our customers and staff are kept informed by overseeing strategic and financial planning for the Council and the communications plan for the ICE programme:

- Strategic and financial planning for 2015/16 is in progress. The process for 2015/16 builds on the previous year's process through the addition of specific requirements for procurement and communications and various enhancements to improve consistency across teams. All team plans have a specific focus on outcomes for customers, which should lead to increased customer satisfaction.
- This workstream also lead to the introduction of a robust monthly performance monitoring process, with CLT meeting monthly since April 2014 to review operational performance based on data presented in performance dashboards that have been created every month for all teams, with a view to identifying opportunities for improving service.
- Customer communication focused on promotion of the website and included a social media campaign, magnetic advertising signs on council vehicles, a press release that was reported locally and information packs sent to parish councils and members. The number of customers engaging with the council through Twitter has increased dramatically over recent months, with 277 visits to the website in November coming directly from Twitter. Staff have been kept updated at the Chief Executive Roadshows and through briefings to Trade Unions.

3.5 Phase 1 summary

Workstream	Improvement	Outcome	Financial Benefit
Customer Service Improvements	<ul style="list-style-type: none"> • Call recording • Call centre wallboards • Front desk queuing system • Improved customer services office environment 	<ul style="list-style-type: none"> • More calls answered / fewer calls abandoned • Queuing time information improves experience of waiting; less time spent waiting 	<ul style="list-style-type: none"> • £27,000 saving per annum through reduced requirement for agency staff (achieved)

Web & Self Service Improvements	<ul style="list-style-type: none"> Redesigned website New customer gateway system 	<ul style="list-style-type: none"> Easier to find information online at any time of day Increasing range of online services 	<ul style="list-style-type: none"> £40,000 saving per annum through reduced requirement for agency staff (27% achieved)
Systems Improvements	<ul style="list-style-type: none"> Waste management system Payment systems 	<ul style="list-style-type: none"> Able to book wide range of waste services online Able to pay online with card or set up direct debits for wider range of services 	<ul style="list-style-type: none"> £11,700 saving per annum through reduced fuel costs due to fewer missed bins (target) £10,400 saving per annum through increased recycling revenue as backoffice staff time freed up to promote recycling (target) £4,500 saving per annum through decommissioning old ICT system (achieved) Improved debt recovery performance as easy for customers to pay up front
Delivering Excellence	<ul style="list-style-type: none"> Improved service and financial planning process Customer communications plan 	<ul style="list-style-type: none"> More information about what the Council is doing and more opportunity to help shape plans 	<ul style="list-style-type: none"> Better management information to drive future performance improvements & savings

4 PHASE 2 PLANS

- 4.1 The second phase of the ICE Programme will build on Phase 1 through further development of the website and the introduction of smart phone apps in order to extend the range of customer contact options. The programme will also include targeted initiatives to engage staff through phase 2 of the Best Employee Experience (BEE) programme and the use of technology, and to better understand and manage direct to service customer contact. A second phase of Planning For the Future (PFF) projects will include systems improvements to allow management information to be collected in a more timely and less costly manner. Office efficiency will be improved through a second wave of scanning / document management initiatives.
- 4.2 The BEE programme originated in 2011 to review and refine HR processes and enhance the employee experience.
- 4.3 Phase two of the BEE programme began in early 2014. An external coaching partner has been engaged to offer specialist knowledge and capacity to move BEE onto the next level. This will raise the Council's level of performance and focus on delivering first class customer service. This will create a natural link between the BEE and ICE programmes which will be overseen by a shared programme board going forwards.
- 4.4 The Council is continuing to develop an organisation that encourages and enables all staff to take responsibility for finding solutions, creating opportunities for improved performance.

5 PHASE 1 BUDGET UPDATE

- 5.1 The phase 1 ICE Programme budget covers the costs of the projects set out in section 3 of this report as follows:

Strand	Expected Costs	Expenditure/ Commitments to 31/12/2014
Customer Services Improvement	£55,000	£52,000

Web & Self Service Improvement	£190,000	£154,000
Systems Improvement	£95,000	£92,000
Delivering Excellence	£20,000	£1,200
TOTAL	£360,000	£299,200

- 5.2 The budget for the programme is currently on track, and it is likely that all workstreams will complete under budget. Some expenditure is yet to be undertaken for longer term projects, including further development of the website.
- 5.3 Programme funding for phase 1 was agreed (by Cabinet in February 2013) from the Value for Money Reserve (£250,000), with additional contributions from the Capital Programme (£70,000) and Service budgets (£49,000) bringing the total available budget to £369,000. (Note that the available funding exceeds the expected costs following a downward revision of cost estimates.)
- 5.4 It is still anticipated that a return on investment for phase 1 will be generated by year 3 of the ICE programme (2016/17). The majority of expected savings will be derived from efficiency gains in customer services. Firstly, increased use of self-service options will reduce the number of calls taken by Customer Services Officers and secondly, improved systems will simplify systems access reducing the time taken on each telephone call. The combined effect of these changes will be a lessening of the demand for temporary and agency posts in Customer Services.

6 PHASE 2 BUDGET UPDATE

- 6.1 Programme funding of £300,000 for phase 2 was agreed by Cabinet in July 2014 from the Value for Money Reserve, with an additional £100,000 from the Value for Money Reserve agreed specifically for the BEE Staff Develop Programme.
- 6.2 Funds have been provisionally allocated to cover project costs as follows, subject to further development of business cases by project owners and scrutiny by the ICE Programme Board:

Project	Expected Costs
ICE-2 Website	£60,000
ICE-2 Smart Phone Apps	£20,000
ICE-2 Telephone System Improvements	£45,000
ICE-2 BEE Connected	£40,000
PFF-2 Real Time Performance Data	£100,000
PFF-2 Electronic Office	£35,000
BEE Staff Performance Programme	£100,000
TOTAL	£400,000