

Public Document Pack

Town Hall, Rose Hill,
Chesterfield, Derbyshire S40 1LP

DX 12356, Chesterfield
Email donna.cairns@chesterfield.gov.uk



The Chair and Members of
Community Customer and
Organisational Scrutiny Committee

Please ask for Donna Cairns

Direct Line 01246 345236
Fax 01246 345252

Monday 17 November 2014

Dear Councillor,

Please attend a meeting of the COMMUNITY CUSTOMER AND ORGANISATIONAL SCRUTINY COMMITTEE to be held on THURSDAY, 20TH NOVEMBER, 2014 at 5.00 pm in Committee Room 2, Town Hall, Chesterfield, the agenda for which is set out below.

The following pack contains a supplement for the agenda item already published which is an additional report for Agenda Item 4.

AGENDA

Part 1(Public Information)

4. Executive Member for Customers and Communities - Progress Report on Customer Services Strategy (Pages 1 - 12)

Yours sincerely,

Local Government and Regulatory Law Manager

Chief Executive
Huw Bowen



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CHANNEL SHIFT ACTION PLAN 2015-17

1.0 PURPOSE OF THE REPORT

- 1.1 To provide information on how the Council will channel shift services to online self-serve.
- 1.2 To seek approval from the board to deliver the Channel Shift Action Plan 2015-17.

2.0 RECOMMENDATION

- 2.1 That Members agree to the implementation and delivery of the Channel Shift Action Plan 2015-17.

3.0 BACKGROUND

- 3.1 The CBC Customer Service Strategy 2012-14 set out the broad principles in how Chesterfield Borough Council would deliver its services through a range of contact channels. The Strategy contains 10 Action plans including plans for Channel Shift, Mobile Phone, and Website.
- 3.2 During the lifespan of this strategy, national austerity measures have resulted in further reductions from central government with funding cut by 27% (£3.5 million). Such financial pressures have led to a rethink on how the Council will channel shift customers to online self-service, as the technologies identified within the strategy are no longer affordable, nor was there a robust business case to identify and capitalise on savings.
- 3.3 In November 2013 the Council launched the Great Place Great Service Transformation Programme that identified a requirement to invest £1.4 million into ICT, Property, Customer Services, Workforce, and Business Transformation to return savings of £3.5 million over a ten year period.
- 3.4 The Customer Services strand of GPGS has an objective to save £70k per annum by focusing investment into online self-service and CRM technology, that will enable the Council to channel shift large volumes of expensive telephone and face to face transactions to lower cost digital channels like desktop and mobile self-serve. Research by Socitm (2011) identifies costs per contact channel as Face to Face £7.40, Phone £2.90, and Website £0.32.
- 3.5 Since the launch of GPGS the following milestones have been delivered within Customer Services:-
 - Reviewed the Customer Services Strategy.
 - Developed Strategic and Volunteer groups to engage staff.

- Baseline data of all key customer facing service areas.
 - Business Case agreed to purchase a product to deliver self-serve capability and to replace the existing contact management function of Northgate Front Office System.
 - Agreement to appoint a CBC Web Editor to amend and enhance the content and navigation of the Website.
 - Agreement to replace the existing Content Management System (Ecom), with a responsive website that is compatible with any device that replaces the need to develop a Council App.
- 3.6 It is anticipated that the online self-service and CRM technology will be purchased in February 2015, with the implementation completed by summer 2015, providing the Council with the tools to commence online self-service. However technology alone does not necessarily lead to successful channel shift or the realisation of efficiency savings.
- 3.7 To enable the council to maximise its potential, the Channel Shift Action Plan 2015-17 (**Appendix A**) has been produced that identifies the key objectives that are to be delivered over the next two years. The themes to be delivered include Technology and Web Support, Leadership Engagement, Channel and Customer Insight, Process Improvements and Channel Shift Approach. The action plan is a live document, and new objectives and amendments to the plan may take place.
- 3.8 To develop the action plan research and good practice has been adopted, and consultation has taken place with the GPGS Customer Services Strategic Group, Arvato, and corporate wide services via a workshop held on November 10th.

4.0 TECHNOLOGY AND WEB SUPPORT

- 4.1 Online self-service provision for CBC customers is currently limited on the corporate site, with the main functionality being to provide information of existing services. There is little ability to complete transactions, book services or make applications on-line.
- 4.2 In July 2014 a high level Business Case was signed off by the Executive Board that agreed to purchase a product to deliver online self-serve capability and to replace the existing contact management function of Northgate Front Office System.
- 4.3 The purchase of self-serve technology will not impact on the content and feel of the website; it will only provide the capability for the customer to transact. To enable the website to be the channel of choice for customers, a more professional approach needs to be taken in regard to the content, as this

plays a fundamental part of the online experience. Therefore within the Business Case the Executive Board have agreed to appoint a Web Editor.

- 4.4 To coincide with the purchase of the self-service technology, it has also been identified that the corporate website (Content Management System) needs to be replaced. The website has numerous compliancy issues and it is not responsive to mobile devices to allow mobile self-serve.
- 4.5 Previously the Council had identified the need to develop an App (Customer Services Strategy 2012-14) to deliver mobile self-service, however research and good practice provides evidence that a Borough Council is more suited to a website that is responsive to all devices.

5.0 LEADERSHIP ENGAGEMENT

- 5.1 An important finding is that not everyone understands what is meant by 'Channel Shift'. While the idea is well embedded in local government, where 'Digital by Default' is a key driver for efficiencies it is evident that not all services within the council are convinced of either its relevance or benefits.
- 5.2 Channel Shift is a strategy for moving a greater proportion of transactions and interactions to lower cost channels, in our case this is to digital ones like online self-service and mobile.
- 5.3 *Why is it relevant?* Currently 80% of UK Adults are now online, and 51% own a smartphone. In fact mobile web use is accelerating, with 30% of all web traffic to local authority websites now coming from a smartphone, tablet or hybrid device.
- 5.4 *What are the benefits?*
- *Save money through lower transaction costs.*
 - *Ensure a high standard of service for web literate customers.*
 - *Conduct transactions and provide information online 24 hours a day, 7 days a week.*
 - *Provide consistent service/process for all channels.*
- 5.5 The message of channel shift has been top down since the start of the project, but the key leaders that need to buy in to the initiative are the Service Managers. The Service Managers will be required to drive their teams to deliver channel shift and are the strategic experts that will provide good practice and innovation from their specific professions.

6.0 CHANNEL AND CUSTOMER INSIGHT

- 6.1 A detailed analysis of service contact channels enables the Council to understand how customers contact our services, and provides evidence of

when channel shift is taking place. When this data is coincided with customer service business process measurements, the council can provide accurate saving forecasts and make an informed decision of when staff reductions can be made.

- 6.2 The use of the Customer Service Data Collection (CSDC) tool located on the Intranet has been designed to collate customer contacts that cannot be collected by the Customer Service Centre. A key risk with the CSDC tool is that despite the ease of use, the tool is open to human error, and the data is only as good as the effort that service areas put in.
- 6.3 The data collected in July was 18,000 contacts down in comparison to April. This was mainly down to a number of service areas not collecting the data adequately. A message that will be delivered as part of the Leadership Engagement is that all key decisions on channel shift including capitalising on staff savings will be made by analysing the data.
- 6.4 The analysis of the service contact channels alone is regularly used by neighbouring local authorities to prioritise services for channel shift. However the Council has taken the decision to input the data into the Business Optimisation Tool (BOT) that identifies the value for money of a service area. The BOT will be used to prioritise services required to undertake a Lean Review, and during the Improve Stage of the Lean Review, business processes will be identified for channel shift.
- 6.5 For channel shift to be effective it must meet the needs of the customer, therefore service users will be consulted and involved in the testing of online self-service.

7.0 PROCESS IMPROVEMENTS AND CHANNEL SHIFT APPROACH

- 7.1 The key to unlocking the full cost savings and efficiency gains from channel shift is not simply to move existing services online, but to redesign the process behind them.
- 7.2 The council will use Lean methodology to define, analyse, measure and improve business processes within identified service areas. By working in partnership with service areas, improvements and efficiencies to customer service business processes will take place.
- 7.3 Where it is appropriate, business processes will be channel shift to online self-service. It is at this stage that service areas will review the contact channels provided to the customer. By utilising good practice and service knowledge, services will explore two approaches to channel shift:-

- Customer Choice- Include online self-service alongside existing contact channels. Allow customers to decide what channel they want to communicate with you, and only remove contact channels that have low take up.
- Channel Push- Promote online self-service aggressively, reduce the contact channels available to the customer, or even provide online self-service only.

7.4 While in practice online self-service may be assumed to be the cheapest option, it can in practice prove quite a poor investment if the wrong services are targeted. It is not possible to realise big savings where spending is already minimal or where the customer group or service is unsuitable.

7.5 If initial investment costs to integrate into back office systems are high then the time needed to realise a cashable saving needs to be considered. Therefore individual business cases will be sought from service areas prior to the implementation of online self-service.

7.6 Prior to going live each online self-service transaction will be tested thoroughly by service users; processes that do not work fully will not be accepted. Testing will include process and customer journey mapping to identify the start point of transactions and the most likely failure and dropout points.

8.0 RECOMMENDATION

8.1 That Members agree to the implementation and delivery of the Channel Shift Action Plan 2015-17.

9.0 REASON FOR RECOMMENDATION

9.1 To provide the Council with a structured plan to deliver services on-line.

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Channel Shift Action Plan 2015-17

Technology & Web Support

Ref	Objective	Action	Target	Lead	Update	Date Edited
1.1	To purchase and implement the new CRM and Self Service System.	1.1.1 Develop a Specification, Procurement, Purchase, and Implementation.	July 2015	Scott Webster & Arvato		
1.2	To appoint a Web Editor.	1.2.1 Develop JD & Spec, Report to Cabinet, Advertise, and Appoint.	February 2015	PR		
1.3	To purchase and implement a future proof Content Management System (Website).	1.3.1 Specification, Procurement, Purchase, and Implementation.	May 2015	Arvato & PR		
1.4	Establish Website Governance & Content Management.	1.4.1 Develop a draft website strategy and implement website policies. 1.4.2 Improve editor training. 1.4.3 Implement an editorial style guide.	May 2015	Web Editor		

Leadership Engagement

Ref	Objective	Action	Target	Lead	Update	Date Edited
2.1	All key stakeholders to have knowledge and understanding of why and how the Council will deliver channel shift.	2.1.1 Deliver presentation/workshop to CMT.	Mar 15	Scott Webster		
		2.1.2 Deliver presentation/workshop to all service areas identified for channel shift.	Ongoing	Scott Webster		

Channel & Customer Insight

Ref	Objective	Action	Target	Lead	Update	Date Edited
3.1	All selected service areas are to collate customer service data.	3.1.1 Services are to collect customer data using the CSDC tool and/or Customer Service Centre.	Quarterly	Service Managers		
3.2	Analyse the customer service data and report to the Executive Board.	3.2.1 Present findings to the Executive Board, and report back on success of channel shift.	Quarterly	Scott Webster		

3.3	Input data into the Business Optimisation Tool to prioritise Lean Reviews.	3.3.1 Input data into the BOT to identify service costs and value for money.	Annually	Karen Brown		
3.4	Baseline all web transactions once self-serve capability is in place, and set KPI's.	3.4.1 Baseline web transactions for first year. 3.4.2 Set KPI's to be monitored and reported.	September 2015	Scott Webster & Service Managers.		
3.5	Consult with service users on their requirements to self-serve and satisfaction.	3.5.1 Establish focus groups containing service users. 3.5.2 Use focus groups to critique, test and undertake journey maps of online self-service processes prior to going live. 3.5.3 Monitor customer service satisfaction.	April 2015-Ongoing	Scott Webster & Service Managers.		

Process Improvements and Channel Shift Approach

Ref	Objective	Action	Target	Lead	Update	Date Edited
4.1	Lean all customer service business processes.	4.1.1 Deliver review.	Ongoing	Karen Brown & Specific Service Area		
4.2	Research and adopt channel shift good practice for each service area.	4.2.1 Attend relevant conferences and visit relevant organisations.	Ongoing	Specific Service Area & Scott Webster		
4.3	Services identify appropriate business processes to be provided as online self-service	4.3.1 Utilise customer service data, business process measurements, good practice, service knowledge and service users' consultation to identify processes.	Ongoing	Specific Service Area & Scott Webster		
4.4	Provide a business case for each online self-service process	4.4.1 Develop an evidence based business case that includes a financial analysis and ROI. 4.4.2 Review the contact channels provided to the customer for the business process. 4.4.3 Develop individual	Ongoing	Specific Service Area & Scott Webster		

		action plans for the online self-service process, to identify implementation and delivery.				
4.5	All online self-service processes are to be tested by service users.	4.5.1 See action 3.5.2.	Ongoing	Arvato & Web Editor		
4.6	Promote online self-service	4.6.1 Promote online self-service using the appropriate channel shift tactic per service area. 4.6.2 Review and amend promotional material for service areas.	Ongoing	Specific Service Area & PR		

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