Overview and Scrutiny Commission
20th September 2016

Agenda item: Customer Contact Programme

Wards: All

Subject:

Lead officer: Sophie Ellis, Assistant Director of Business Improvement

Lead member: Cllr Allison, Deputy Leader and Cabinet Member for Finance

Contact officer: Sophie Ellis, Assistant Director of Business Improvement

Recommendations:

A. That the Commission comments on the progress of the Customer Contact Programme

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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. This report outlines the progress and issues related to the Customer Contact Programme since its last report to the Commission.

2 BACKGROUND

2.1. The Customer Contact programme is delivering the key technology and re-designed processes to support the Council's Customer Contact Strategy, aimed at meeting the changing needs of our customers for access to services, and in particular for services accessed via the internet. This strategy focuses on two key outcomes: firstly, to improve service users' experience of accessing council services, and secondly to reduce the cost of those services by encouraging people to self-serve, and by responding to customer enquiries the first time that they are raised. This will reduce unnecessary effort for residents, and 'avoidable' work for staff.

2.2. The scope of the programme includes a new website that increases the potential for customers to request and pay for services online; the ability for customers to have an 'account' that allows them to track their interactions in a single place, and a contact management solution that allows staff to manage and process requests quickly.

2.3. In March 2015 the council awarded a contract to General Dynamics IT Ltd (henceforth GDIT) to deliver this technology and support the associated changes in business process design.

2.4. The programme has recently reported to the Financial Management Task Group to provide an update on the benefits enabled by the new technology.

1

Direct savings targets have deliberately not been attached to the programme itself because the improvements provided will be translated into efficiencies by all services across the council. On this basis the programme underpins a number of savings captured in the Medium Term Financial Strategy.

3   PROGRESS IN DELIVERING THE PROGRAMME

3.1.   The programme has experienced some delays. These are related chiefly to:

- Unexpected technical challenges in creating connections to the council's existing systems and networks (related to third party telecom providers);

- Underestimation in the original plans of the complexity and effort required to develop the Customer Relations Management (CRM) solution, as applied to the initial Pathfinder – Waste Management;

- Difficulties experienced by the supplier (General Dynamics IT) in retaining sufficient high calibre staff in an area of high market demand;

- The need to support the new on-line waste service, whilst meeting the very high demand for the service, during the normal period of IT stabilisation, and familiarisation by staff.

3.2.   The overall programme end date is approximately four months behind schedule, although some deliverables within this overall timescales are up to six months late. The council has deployed the mechanisms within the contract to alert GDIT to their concerns over these delays. These may involve reduced milestone payments, and claims for compensation for increased council staff costs. GDIT have currently responded positively but are still experiencing staffing and technical challenges.

What has been delivered?

3.3.   The programme has so far delivered:

- Hosted hardware, infrastructure (servers, cables, firewalls etc.) and associated technology (connections to the council's existing systems and networks) to support the new systems;

- Configuration of the software itself to Merton's requirements;

- An IT system that contact centre staff will use to record and deal with customer enquiries online, in person, and over the telephone;

- A new transaction based beta website based on SharePoint Technology, launched on 5th July with the new online waste management service (Domestic, Bulky, Garden), designed to be used on smart phones and all customer devices;

- Updated (non-transactional, static) content for the new 'beta' website;

2

- Re-designed processes and operating system for an on-line waste service, entirely driven from within the CRM system (Waste Pathfinder).

Work in Progress

- New web forms to act as the customer facing front end of the Highways service, integrating with its operating system (Confirm);

- Process re-design and development of a new Complaints Management, Freedom of Information and Member's Inquiry system;

- Process re-design and development of a new Hall bookings and Leisure booking system;

- Process re-design and development of an appointment and work process system with Planning, Property, Building and Development Control;

- A customer account pulling together all resident and business interactions with the Council in a single place;

- Integration of existing Council portals (Council Tax, Parking, Libraries, Planning) into the Customer Account with a single password and a 'scrape' of useful information;

- Integration of a number of externally hosted Council websites.

Future developments – dependent on programme budget

- Further online automation for Concessionary Travel, Housing, Environmental Health, Registrars;

- Potential online automation in the CSF and C&H Directorates.

Take up of the new On-line Waste Service

3.4.   The online waste service was launched on 5th July with a minimum of external communication in order to avoid creating an artificial peak of demand at a time when staff were becoming familiar with the new system. However the increase in residents' use of the on-line domestic, garden and particularly bulky waste service has been almost immediate. Whilst it is hard to compare figures to before the launch, as both garden and bulky waste collections were not available online, it is estimated that as a percentage of transactions we have moved from 10-15% to 45-55% online (see Table 1). The increased use of the website for information and guidance will have also contributed to a reduction in the potential volume of phone calls to the Council (see Table 1).

3.5.   The take-up of the new system has confirmed that there is high demand for such on-line services by Merton residents as demonstrated by the increase in on-line bulky and garden waste collections (see Table 2 for garden waste). It has also indicated that the simple to use, mobile friendly website

3

supports residents in easily booking pick-ups and reporting missed collections.

3.6.   Whilst the overall picture is very encouraging a small number of technical problems became evident during stabilisation. These are being urgently addressed but have generated a number of informal and formal complaints. Most often these have been related to the presentation of US date formats on a limited number of customers' machines and browsers. This particular issue is now resolved. This is however against a wider beneficial impact on the level of informal complaints related to the re-collection of missed bins.

3.7.   In addition the increase in the volume of bulky waste collections has placed pressure on the waste service, and has required the system to be changed to permit bookings further in advance. This can be frustrating for residents who occasionally may have to wait up to five weeks for a booked collection. The service is currently reviewing its operation in order to balance demand across the borough, and thereby reduce waiting times.

Table 1 – overall channel shift

Total Waste on-line Transactions from 5th July (as at 15:30 09/09/16)	Total Waste Phone Calls from 5th July (as at 15:30 09/09/16)
8,276 (54%)	7,001
Weekly average waste web page visits up to 4 July 2016	Weekly average waste web page visits from 5 July 2016 to Fri 9 September 2016
3,402	3,702

Table 2 – uptake of the on-line garden waste service

Period	05/07/16 - 31/07/16		
Channel	**Renewal**	**Application**	**Total**
Web	0	192	192
Phone	203	243	446
			638
Period	01/08/16 - 31/08/16		
Channel	**Renewal**	**Application**	**Total**
Web	0	199	199
Phone	0	236	236
			435
Period	01/09/16 - 12/09/16		
Channel	**Renewal**	**Application**	**Total**
Web	0	65	65
Phone	0	43	43
			108

4   CONSULTATION UNDERTAKEN OR PROPOSED

4.1.   The governance arrangements for the programme have ensured that services across the organisation are fully engaged in the development of the approach in general, and in the design of Pathfinders in particular.

4.2.   Governance for the programme consists of a Programme Board chaired by Caroline Holland, Corporate Services Director (programme sponsor) and including representation from each of the departments. The programme also reports monthly to the Merton Improvement Board which draws its membership from across the organisation.

4.3.   An engagement and communication plan has been developed. Service and customer groups are being engaged as part of the programme using a phased approach to ensure any necessary change is well planned communicated and embedded.

4.4.   A key area for wider consultation is the development of the website and customer account. It was considered to be inadvisable to draw residents and customers into the initial design process, and that greater benefit would be derived from testing concepts once they have been developed. To begin with, therefore, the design process brought together a representative group of officers to develop the new website. External consultation will begin following the launch of the new Beta site on 5th July and the uploading of a significant number of new web pages in September 2016.

5   TIMETABLE

5.1.   At present the hosted IT infrastructure is in place, and a new beta website and on-line waste service was launched on 5th July. This is being followed by the uploading of more new web pages and Pathfinder services in a period up to November 2016. In parallel the Customer Account will create a single view for residents and businesses of their transactions with the Council, and will also consolidate other key existing council portals into its structure. This will be delivered after the Pathfinders and portal integration

5

work. This will see the end of this phase of the programme. However the council has an option of adding further Pathfinders whilst both the council and supplier teams are in place. In addition the service Target Operating Models are proposing further Pathfinders and Integration for Children, Schools and Families and Community and Housing. It is intended that the majority of these processes will be developed internally as the council will have gained experience in working with SharePoint and Microsoft Dynamics.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. The Customer Contact Programme is important for the overarching transformation of the organisation as part of the Outstanding Council Programme. Funds have already been earmarked through allocated reserves to facilitate the programme. This planned one-off investment is expected to achieve ongoing revenue savings that will benefit the council each year.

6.2. The programme is key to the achievement of planned savings through self-service and channel shift and the aspirations set out in a number of service target operating models (TOMs) are dependent on the technology the programme will introduce.

6.3. The initial programme budget of £2.3m was approved by Cabinet on 12th July 2012. This element of the programme is currently slightly under-spent, due to prudent resource planning, but may come under further pressure if the programme runs beyond November 2016. The wider programme also includes the roll-out of a new Electronic Document and Records Management system which is experiencing similar delays and potentially increased costs.

6.4. Possible property implications are driven by an assessment of the provision of face-to-face (reception) services in specific locations across the borough, and in the potential re-design of the reception at the Civic Centre to provide more support to on-line access for residents. Any such implications will be managed and aligned with existing property rationalisation plans, e.g. the flexible working programme.

6.5. The majority of benefits will be delivered in part in 2016/17 and could be rolled forward into subsequent years. In addition the current enabled benefits only cover Corporate Services, and Environment and Regeneration. The Target Operating Models for Children's Schools and Families and Community and Housing have highlighted a number of new Pathfinders and integrations that will present further opportunities for financial benefits.

6.6. The Customer Contact programme board will continue to review the interdependency between proposed MTFS savings and the programme and monitor their delivery.

7   LEGAL AND STATUTORY IMPLICATIONS

7.1.   The South London Legal Partnership has worked closely with the programme team in developing a suitable contract with the chosen supplier.

7.2.   They are also providing support to the current contract dispute process where the council are seeking compensation as a result of delays in implementation.

7.3.   There may be some impact on the provision of some statutory services, e.g. regulatory services, but this will be established and managed through the engagement of the relevant services and will depend on whether specific processes can feasibly be delivered through different channels and by different means.

8   HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

There are not expected to be any human rights issues from the programme. An Equalities Impact Assessment has been completed and is being undated at key points in the programme. Community and other key stakeholder groups will be engaged as part of the programme and any implications will be managed with the relevant officers in the Council.

9   CRIME AND DISORDER IMPLICATIONS

There are not expected to be any crime and disorder implications.

10   RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

All risks, assumptions, issues and dependencies are being actively managed as part of the programme. There are not expected to be any Health and Safety implications.

7

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