

Committee: Overview and Scrutiny Commission

Date: 29 January 2015

Subject: : Customer Contact Programme Update

Lead officer: Sophie Ellis, Assistant Director of Business Improvement

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

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Recommendations:

- A. That the Commission discuss and comment on the progress of the Customer Contact Programme.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to provide the Commission with an interim progress update on the Customer Contact programme and timescales for the contract award.
- 1.2. This report is designed to ensure the Commission are sighted on progress ahead of the scheduled award of contract in order to reduce the likelihood of any delays to the start of implementation.
- 1.3. A full progress update is scheduled for March 2015.

2 BACKGROUND

- 2.1. The way in which Merton borough residents and service users want to access services is changing. People who routinely buy services and goods over the internet and by phone, and who communicate via SMS (text messaging), Facebook and Twitter increasingly expect the same sort of flexibility when accessing public services.
- 2.2. Our residents' survey¹ demonstrates that Merton's residents already use a range of different access routes into council services and the preference for online access is increasing year-on-year. Younger residents in particular no longer want to come to council offices but instead prefer to use the web, e-mail and SMS when contacting the council.
- 2.3. People are also increasingly expecting public services to be delivered in an holistic way and that the council is proactive in interpreting their requirements and responding to them swiftly. When someone contacts the council they expect that there is a coherent and complete 'view' of them within the organisation – this is their experience of other organisations so why not the council? Customers do not want to speak to several different departments and service teams about the same issue, which means that

¹ http://www.merton.gov.uk/presentation_charts_merton_residents_2014_.pdf

services can no longer afford for their business systems and their relationships with customers to exist in isolation. For the sake of good customer experience, and effective and efficient services, a single, comprehensive view of customers across the organisation is needed.

- 2.4. In parallel with this, and in the context of a very difficult financial climate, local authorities in general are having to find ways to spend less money on service delivery and be more efficient – especially at the point of contact with the customer. Merton is no exception; in fact the council is responding to the need to make significant spending cuts. Two effective ways to reduce the cost of services are firstly to resolve queries and requests first time round (to reduce unnecessary time spent revisiting the same query); and secondly to help people do what they need to do quickly online or, if they have one, through their smartphone so they don't have to contact the council at all.
- 2.5. Merton's Customer Contact Strategy was agreed in March 2013 to cement the councils' approach to meeting these changing needs. It focuses on increasing online access to services, encouraging customers to self-serve where possible, and reducing avoidable and repeat contact by responding to as many customer queries as possible at the first point of contact. This will not only improve customer experience, it will allow the organisation to operate more efficiently – critical in the face of a reducing financial envelope.
- 2.6. Following approval of the refreshed Customer Contact Strategy a programme of work was initiated to procure the necessary technology to deliver these ambitions. The technology that the council is seeking to procure incorporates a refreshed 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 queries and interactions in a single place online; and a contact management solution that allows staff to manage and process queries and requests quickly and easily and which is integrated with the relevant back office systems.
- 2.7. The council's Procurement Board determined that the most appropriate procurement approach was Competitive Dialogue following feedback from potential bidders at an open day in June 2013. Whilst this is a longer procurement process than others it provides a framework for the council to enter into dialogue with a small number of providers who qualify to provide the relevant services. The council can then develop their requirements iteratively in consultation with these specialist bidders, resulting in a solution that delivers well developed outcomes for the council and benefits from the expertise and experience of market experts.
- 2.8. In developing the specification of requirements officers have also drawn on the experience of other boroughs through visits to Hammersmith & Fulham, Croydon, Bexley and Kingston local authorities.
- 2.9. In February 2013 Cabinet approved a budget of £1.2m for the replacement of the introduction of a replacement electronic documents and records management system (EDRMS) and that it would be procured as part of the Customer Contact competitive dialogue exercise. The procurement

documentation therefore incorporates' the council's requirements for such a system and bidders are incorporating these within their proposed solutions.

3 ACTIVITY SINCE LAST UPDATE

- 3.1. Two bidders responded to the formal Invitation to Submit Detailed Submissions. These are Asidua Ltd and General Dynamics Information Technology Ltd.
- 3.2. The bids were evaluated during November by officers representing a number of disciplines within the council. Bidders were notified of the result of this evaluation on 1 December and this was followed by a final period of dialogue (formally known as 'clarification') where a number of meetings were held with each of the bidders. These concluded on 16 January and it is expected that both bidders will be invited to submit Final Tenders on 26 January, subject to legal clearance of documentation. Members of the Commission can be provided with access to the (extensive) documentation that forms part of the 'Call for Final Tenders' on request.
- 3.3. On the basis of detailed submissions provided to date, it is apparent that both bidders can meet the requirements that the council has set out. The nature of solution proposed differs slightly between the two bidders, as does the scope of implementation. These are considered as part of the final evaluation.
- 3.4. The commercially sensitive nature of the exercise restricts the level of detail that officers are able to provide in this report. Officers will provide as much information as possible at the meeting on 29 January.

4 NEXT STEPS

- 4.1. Bidders are expected to return their final tender documents on 10 February 2015 and it is anticipated that the evaluation of these will be complete by the end of February. It is therefore expected that a recommendation on the preferred bidder will be taken to Cabinet on 9 March, and the contract awarded around 16 March, subject to a call-in. If this timescale is achieved, the contract will commence on or around 2 April.
- 4.2. Implementation planning is underway with those service areas where the solution is planned for early implementation, notably waste, parking and traffic & highways. Resource planning and scheduling is also underway.
- 4.3. An important project has been initiated by the Merton Improvement Board to support the release of an effective, intuitive customer portal. The project will clean and geocode spatial data within a number of service areas so that customers using the portal and new transactional website can interact with maps (see Appendix A for more information).

5 ALTERNATIVE OPTIONS

- 5.1. Feasible and cost-effective alternatives for the technology have been explored as part of the competitive dialogue process, ensuring the council will be able to identify the solution which best meets its requirements in terms of cost and quality.
- 5.2. Officers would have preferred to have introduced the recommendations on the preferred bidder to the Commission for scrutiny prior to requesting a Cabinet decision. However, the timescale for Cabinet and OSC would mean that doing so would possibly introduce a delay of around three months to implementation. Officers have therefore introduced this additional briefing for the Commission in advance of the scheduled Cabinet meeting in March. This approach takes account of the desire of the Commission – and customers, Members and officers more widely – to see the solution implemented as soon as possible.

6 CONSULTATION UNDERTAKEN OR PROPOSED

- 6.1. The governance arrangements for the programme are designed to ensure that services across the organisation are fully engaged in the development of the approach.
- 6.2. Governance for the programme consists of a Programme Board (management and control focus) 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 2015 board which draws its membership from across the organisation.
- 6.3. A draft ownership and communication plan has been developed and service and customer groups will be engaged as part of the programme using a phased approach to ensure any necessary change is well planned, communicated and embedded.
- 6.4. It may be necessary to undertake formal consultation to reflect specific changes to how services are delivered via specific access channels as the programme progresses and the programme will provide regular updates to the Commission in this regard.

7 TIMETABLE

- 7.1. The final phase of clarification meetings with bidders concluded on 16 January and, at the time of writing this report,, a call for Final Tenders was scheduled to be issued on 26 January.
- 7.2. The Commission is asked to note that it is difficult to predict with certainty the duration of dialogue and preparation of tenders and, therefore, the overarching timetable as Competitive Dialogue is a fluid exercise; bidders may request additional sessions with officers to clarify requirements and the council may need to build additional time into the schedule in order to respond to requests. It is critical that this takes place in order that the council can build what it learns from these discussions back into its

requirements and that bidders can be given every opportunity to develop proposals that genuinely meet the council's requirements.

- 7.3. Subject to the deadlines set out in item 7.1, final tenders are expected to be returned by bidders on 10 February and evaluated by officers by the end of February. Cabinet approval for the preferred bidder will be sought on 9 March, and the bidder notified on 16 March. Allowing for the required standstill period, the contract is expected to commence on 2 April.
- 7.4. In their detailed submissions, bidders have indicated an initial period of around three months for mobilisation, that is to say preparing and planning for implementation on the ground. Beyond this period tangible deliverables are expected throughout the subsequent months but will differ depending on which solution is chosen since each bidder has adopted a rollout approach that best suits their product.

8 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 8.1. The Customer Contact programme is an important factor in the overarching transformation of the organisation as part of the Outstanding Council Programme. There is a clear commitment to a high standard of professionalism and the streamlining of work processes so that they are efficient and not unnecessarily bureaucratic. It is essential that officers are supported to make this transition and enabled to continue providing high quality services to customers in a constrained economic environment. It is also essential that the organisation is able to respond effectively to the changing needs of service users. 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.
- 8.2. 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. The business case for the programme – in relation to benefits and savings – will be updated once the scope of implementation and cost of technology become clear as part of the procurement exercise.
- 8.3. The initial programme budget of up to £2.3m was approved by Cabinet on 12th July 2012, and Cabinet approved a further budget of up to £1.2m for Electronic Document and Records Management on 18th February 2013 which has been incorporated within the same allocated reserve.
- 8.4. Any property implications are likely to come from the assessment of the provision of face-to-face services in specific locations across the borough. It is expected that any such implications will be managed and aligned with any existing property rationalisation plans, e.g. the flexible working programme.

9 LEGAL AND STATUTORY IMPLICATIONS

- 9.1. The South London Legal Partnership is working closely with the programme team in developing a suitable contract with the chosen supplier.
- 9.2. 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.

10 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 10.1. There are not expected to be any human rights issues from the programme.
- 10.2. An Equality Analysis has been completed for the programme and will be updated at suitable decision points.
- 10.3. 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.

11 CRIME AND DISORDER IMPLICATIONS

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

12 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

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

13 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

A. Spatial Data

14 BACKGROUND PAPERS

- 14.1. Previous Cabinet Reports (for information only; not provided)
- 14.2. Previous OSC report (for information only; not provided)
- 14.3. ISDS papers circulated to bidders (for information only, not provided)

APPENDIX A - Spatial data

The council holds a wealth of information that has a **spatial** element, that is to say it is related to a specific place, for example household and business addresses, parking bay locations and details, highway assets and waste collection routes. We are now accustomed to seeing such spatial data displayed on maps using **Geographic Information Systems (GIS)** so that we can relate them to the real world geographically.

In order to be utilised by a GIS and displayed on a map, spatial data needs to be **geocoded**. This is the process by which the description of a place is enriched with geographic coordinates. To illustrate, 'Merton Civic Centre, London SM45DX' is a description of an address that uses reference points (town, postcode) with which we are familiar; however GIS recognises only geospatial coordinates (eastings, northings) and therefore would be unable to locate this address on a map unless its coordinates were added.

Geocoded, digital data underpins channel shift and self-serve. As noted above, we increasingly expect to be able to interact with everyday information in a geographically intelligent way. The availability of Global Positioning Systems (GPS) has turned searches such as 'find my nearest' into something that customers expect, whilst locating anything that has a spatial element on a map rather than being presented with a line of text (an address) is taken for granted – think Google search.

The Customer Contact programme will deliver, in 2015, a new website that not just allows but encourages service users to carry out as many transactions as possible online – requesting and paying for parking permits or reporting fly tipping or missed bin collections. Regular customers will be able to set up a secure account to create a personalised portal window to view and manage in a single place all their transactions and interactions with the council – from managing their council tax account to paying for parking permits.

Making this possible, however, is not just dependent on implementing the technology to create the portal. Firstly, it will require geocoding of relevant data in order for customers to **view and interrogate spatial data on a map** when using the new website and portal (as they will expect to be able to do). This means that things like parking bays, CPZs, street lights etc. all need to be held as geocoded data in our GIS system in order for self-serve to be fully realised.

Thirdly, **a master dataset of properties** will be needed so that all of the relevant information around the council can be drawn together from the different line-of-business systems in which it's held and presented to each individual customer. It is the gazetteer (LLPG) that provides this master dataset and a single point of truth. Each property in the gazetteer has a Unique Property Reference Number (UPRN) and this code will be used to link information in different council systems to individual customers – a type of golden thread that runs through our systems for each property in

the borough. A similar approach will be taken to a master dataset of customers. It should be noted that whilst the datasets exist already in the two gazetteers, it is only by their being dynamically connected to other datasets within the organisation that master data management is achieved.