

## **Committee: OSC**

**Date: 8<sup>th</sup> January 2013**

Agenda item: 6

Wards: All

## **Subject: Customer Contact Programme Update**

Lead officer: Sophie Ellis, Assistant Director of Business Improvement

Lead member: Cllr Betteridge, Deputy Leader and Cabinet Member for Performance and Implementation

Forward Plan reference number: N/A

Contact officer: Rob Blanden (Interim Programme Manager, Customer Contact)

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### **Recommendations:**

- A. Commission to note and comment on the refreshed approach to delivering 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 update on the Customer Contact programme and to highlight, for information, the key next steps.
- 1.2. The programme is scheduled to present a full update report to the Commission on 28 February 2013. Officers are conscious, however, that the Commission placed some emphasis on the need to ensure they were kept fully informed about the progress of the programme going forward. For this reason, in advance of the full report in February, this interim update report is being presented
- 1.3. The programme is currently in the design phase and the Council's Customer Strategy – and integral channel management plan – is being refreshed to provide the context for customers, other stakeholders and services to be engaged. This design work will ensure customer needs are aligned with business priorities across all access channels (not just online).
- 1.4. The outputs from this design work will provide the basis for the specification of business requirements for the procurement of the key technology 'components' that will act as the enablers for services to implement self-service for their primary customer processes. It is expected that these 'components' will support **all** access channels, e.g. face-to-face, and will enable the development of a 'Single View of the Customer'.
- 1.5. A detailed update – including programme plan and timescales – will be brought to the Commission in February 2013. In the meantime, immediate next steps will include:
- (i) customer segmentation analysis across the borough mapped against service demand data to inform possible future policy decisions relating to customers;

- (ii) customer journey analysis across all access channels for specific services that have generic customer processes that can feasibly be dealt with through self-service (or assisted self-service);
- (iii) engagement of key stakeholders and stakeholders groups to gain buy-in to the updated Customer Strategy; and
- (iv) the specification of key technology 'components' and preparation for conducting a procurement exercise.

## **2 ACTIVITY TO DATE**

- 2.1. The permanent Assistant Director of Business Improvement – lead officer for the Customer Contact programme - took up the post in September 2012. The position had previously been covered by an interim appointment. The handover and induction phase for the new lead officer has offered a valuable opportunity to clarify and validate the approach going forward.
- 2.2. In October the Procurement Board determined that the most appropriate procurement route for the programme would be an open competitive process, not the G-Cloud framework that had been originally proposed. The latter does not allow for any competitive process, and purchases have a two year life span (the programme will run for three years).
- 2.3. Whilst detailed programme documentation had been prepared to facilitate an immediate tendering exercise through the G-Cloud framework, the change in procurement approach required that this be revisited and that the council develop in greater detail an understanding of its requirements in terms of technology (a tender specification). It is the view of officers that this provides the council with a welcome opportunity to test the outcomes it wishes to achieve through any new technical solution and avoid the inherent danger of being IT-solution-led in its approach to what is, in effect, a cultural and service transformation programme.
- 2.4. It is critical that the process of specifying technical requirements is driven by a clear strategic vision. It would appear that the council's Channel Shift Strategy was last updated in May 2010, and whilst there is broad agreement on the overarching approach to channel management and migration (some of which was articulated in the Cabinet report July 2012) this has not been encapsulated and formally agreed within a revised strategy. It is also unclear whether all of the recommendations of the scrutiny review on customer access (June 2011) have been captured – for example that the strategy is renamed a Customer Contact Strategy and given the appropriate focus.
- 2.5. For the reasons set out above, work over the past six weeks has focused on the following objectives:
  - (i) Recruitment of programme resources in order to drive the programme forward – an interim programme manager is now in place and recruitment to the fixed term contract position underway and expected to complete early in the New Year.
  - (ii) Refresh the council's Customer Contact Strategy to clarify the vision and approach to channel management and migration as well as our

customer standards – and importantly to ensure that there is shared ownership of this vision across the organisation.

(iii) Develop a detailed understanding of the council's requirements in relation to supporting and enabling technology (tender specification)

- 2.6. The refreshed Customer Contact Strategy will align customer needs with business priorities based on four cornerstones: Insight (understanding our customers), Access (connecting with our customers), Focus (serving our customers) and Support (helping our customers).
- 2.7. A channel management plan will form part of the Customer Contact Strategy and define how **all** access channels are managed for specific customer groups - online, face-to-face, email, telephone and social media.
- 2.8. Governance for the programme has been updated and now consists of a **Programme Board** (management and control focus) chaired by Caroline Holland, Corporate Services Director (programme sponsor) and a **Programme Steering Group** (design and delivery focus) chaired by Sophie Ellis, AD Business Improvement.
- 2.9. A detailed programme plan – including revised milestones – is to be presented to the Merton 2015 Board on 18 January 2013. The programme will therefore be able to present a more detailed update, including timescales, at its scheduled appearance in February 2013. In the meantime, the remainder of this report sets out the activities that are planned and underway to give a sense of the progress that is being made.
- 2.10. Stakeholder analysis and engagement work is underway and services are being engaged to identify their [customer] 'top tasks' and any opportunities to transition generic customer processes that are suitable candidates for self service, such as making enquiries, booking appointments, taking payments, into Customer Contact. The transition of these generic customer processes from services into Customer Contact will then lead to channel shift savings over the longer term. The programme is also planning to utilise existing customer survey data and engage Community Forums and the MVSC to inform the focus and priorities of the programme.
- 2.11. All activity is building on the work already undertaken as part of the options appraisal, as well as the lessons learned from the pilot exercise within waste.
- 2.12. The programme should be viewed as being in a 'design phase' currently. This will establish potential opportunities for new ways of working through customer segmentation, customer journey mapping and service demand analysis across all access channels. This information will be used to inform possible policy decisions that may need to be made regarding the provision of specific services via specific access channels (to support channel shift).
- 2.13. A specification of business requirements, priorities and a 'go-to-market' approach will be defined and agreed prior to running a procurement exercise. Vendors and suppliers will be engaged to establish the best value, flexible and resilient solutions that meet our needs. Whilst there may be some concern that the original milestone of procuring a solution in March 2013 will not now be met, officers are of the view that the current approach represents more a re-ordering of programme activities rather than a delay.

The previous proposed approach scheduled the design and service engagement work to take place after the technical solution had been procured – in effect a systems-led approach. Taking this approach, any delay to procurement would have delayed the project overall. The revised approach set out in this report, however, locates the procurement of the technical solution after the design and engagement phase. It is anticipated that this will reduce the likelihood of resistance to change later on in the programme and increase the likelihood that the system will comprehensively meet the needs of the authority overall.

### **3 ALTERNATIVE OPTIONS**

- 3.1. A detailed options appraisal was undertaken throughout 2012.
- 3.2. The updated Customer Strategy will reflect current best practice from across the public sector and the Channel Management Plan will reflect the needs of customers and business priorities. Feasible and cost-effective alternatives for the technology 'components' will be explored as part of the procurement exercise.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.1. The governance arrangements for the programme are designed to ensure that businesses across the organisation are fully engaged in the development of the approach. Officers recognise that the programme requires a well-developed change management approach, so change agents will be identified, including departmental and service champions at all levels.
- 4.2. It is expected that specific customer groups (citizens, businesses, CVS) will be engaged as part of the programme. It may then be necessary to undertake formal consultation to reflect specific changes to how services are delivered via specific access channels. The programme will provide regular updates to the Commission in this regard.

### **5 TIMETABLE**

- 5.1. The Customer Contact programme is already on the Commission's forward plan and a more detailed report regarding the overall programme plan, prioritised scope and expected timescales will be provided at the next meeting on 28th February 2013.

### **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1. An initial budget of £2.3m has been approved (Cabinet 2 July 2012). Costs have been estimated as part of the previous approach and will be validated as part of the procurement exercise.
- 6.2. Resource requirements will be updated at the next meeting (28th February) once the programme scope has been baselined.
- 6.3. The programme will continue to work with services to assess potential savings from self-service and channel shift. The business case for the programme – in relation to benefits and savings – will be updated once the outcome of the procurement exercise is known.
- 6.4. 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.

## **7 LEGAL AND STATUTORY IMPLICATIONS**

- 7.1. Legal input will be required as part of the procurement exercise and the establishment of suitable contracts with vendors and service providers.
- 7.2. 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.

## **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. There are not expected to be any human rights issues from the programme.
- 8.2. Equality Impact Assessments will be undertaken as required for specific service changes.
- 8.3. 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.

## **9 CRIME AND DISORDER IMPLICATIONS**

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

## **10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 10.1. All risks, assumptions, issues and dependencies will be actively managed as part of the programme.
- 10.2. There are not expected to be any H&S implications.

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

- None.

## **12 BACKGROUND PAPERS**

- 12.1. Previous Cabinet Report (for information only; not provided)
- 12.2. Previous OSC report (for information only; not provided)