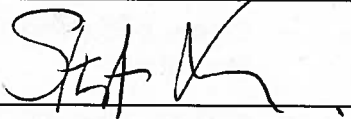




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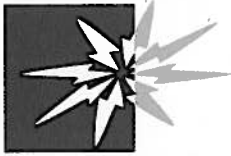
Report for:	Cabinet	Item Number:	
Title:	Customer Service Transformation Programme Outline Business Case		
Report Authorised by:	Stuart Young, Assistant Chief Executive		
Lead Officer:	Catherine Galvin		
Ward(s) affected:	Report for Key/Non Key Decisions: Information		

1. Describe the issue under consideration

- 1.1 The purpose of this report is to provide Cabinet with a briefing on the Outline Business Case that has been developed for the Customer Services Transformation Programme.
- 1.2 The business case provides options for the future customer service offer. At this stage no key decision is sought.

2. Recommendations

- 2.1 Members are asked to note the report and in particular the options analysis provided at paragraph 3.7 of appendix 1.
- 2.2 Members are asked to note that the meeting of Cabinet scheduled for November 2013 will receive a report with recommendations for creating capital and revenue budgets. The options in the attached business case will feature as proposals in that budget report.



3. Background information

3.1 The Council's vision for customer service is:

To be a trusted organisation where our customers have confidence that their current and future needs will be met in an efficient and effective way.

3.2 The vision is supported by a set of design principles. These will influence how our services are offered to customers in the future. The principles are:

- Digital becoming the primary channel through which customers interact with the council
- Support all Haringey customers to use the most effective channels according to their needs and encourage opportunities for self-service
- Provide customers with a seamless service especially where more than one council or partner is involved.
- Separating less complex from more complex services to ensure that customers are able to access the council appropriately.
- Developing trust and confidence with customers
- Staff are empowered and enabled with the appropriate training and tools to deliver the redesigned services.
- Using customer insight to design, target and build services around customer needs.

3.3 What will be different for customers? The way that residents contact and transact with the Council will change. We anticipate that:

- Face to face – will decrease as customers use digital and telephone channels. Face to face will support customers' use of self-service, especially those who feel digitally excluded and those with more complex needs that require a discussion.
- Telephone – will still be an important channel but will decrease overall as more contact is dealt with digitally and through automated handling.
- Digital (web/mobile phone) – will increase, replacing both telephone and face to face as the main channel of contact for most services and for customers to complete transactions. In addition, customers will be able to complete more transactions using their mobile devices and smart phones. This encourages wider social inclusion to access other services (public and private) digitally.
- Social media – for now will increase as an emerging and growing channel for communication and consultation rather than to complete transactions. Social media will be used tactically to reach out to customers.



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- Email and post – will reduce significantly as both are replaced by the digital channels. The council will look to minimise all paper based processes and information provision wherever possible.

3.4 The customer should experience these improvements as follow:

- An online customer portal will allow residents to create a personalised account. Using this they complete an array of transactions with us including benefits, payments, updating their details, reporting issues to us, receiving updates and progress on services, etc.
- A new walk in centre will be available, probably based in one of our larger libraries. It will provide targeted support focussed mostly on more complex needs. The centre will operate with Council and partner presence (for example job centre +; CAB; etc). It will also enable those residents who want to transact online but who lack a pc to access.
- Council processes will have changed so that the majority of transactions may be completed in one visit. Those requiring verification will take place using appointments. Once we have information about a resident they will not have to re-present it.
- Phone staff will be co-located with experts in the subject to allow calls to be resolved earlier.
- Where their needs are more complex, residents will experience a more joined-up service across the Council and relevant partners. For example, a housing application, benefits assessment and school place registration could all take place in one visit.

3.5 To deliver the improvements a programme of activity is underway. The programme is structured as follows:

- Shaping Future Service (SFS) - To define and develop the access strategy, operating models and business case for the transformation of Customer Services
- Customer Services Operational (CSO) - To implement key operational improvements to customer service to provide a level of stability to, and increased confidence in the current operations
- Customer Services Development (CSD)- To design and implement future changes to services and access channels
- Culture Change - To develop and implement a programme of culture change both for staff and residents



3.6 The work is planned to deliver in phases as detailed in the plan at appendix 2.

4. The Outline Business Case

4.1 The attached business case has been prepared by:

- Developing a vision and principles for future customer service;
- Analysing how residents currently access services and how this might change over time;
- Redesigning services in 4 pilot areas: Council Tax, Benefits, Traffic Management, and Complaints. Using the pilots to extrapolate benefits for the Council.
- Researching costs for the provision of IT systems that support a future digital offer.

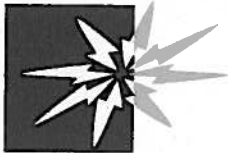
4.2 The business case is, by necessity, comprehensive and in places technical. An Executive Summary is provided at the start of the document which provides a useful overview of the elements of the case.

4.3 The case presents 4 options as follow:

Options	Financial Benefits to 2018/19 ¹	Costs to 2018/19	Payback	Benefit to cost ratio
Option 1 – Do nothing	£0	£0	0	0
Option 2 – Customer Service consolidation with stand-alone web based initiatives delivered on a department by department basis	£3.58 million	£2 million	3 years and 1 month	1.78 (£1.78 back for every £1 invested)
Option 3a – Transformation of Customer Services via corporate wide process and technology change - CRM led solution	£8.43 million	£6.37 million	4 years and 3 months	1.32
Option 3b – Transformation of Customer Services via corporate wide process and technology change – Digital Platform led solution	£9.17 million	£4.43 million	3 years and 1 month	2.07

4.4 Please note that the figures are illustrative until a final business case and procurement specification is presented in Spring 2014.

¹ This includes 3 FTE pre-agreed savings for Traffic management which this OBC will support and enable



4.5 The non financial benefits of each option are:

Options	Main anticipated non - Financial Benefits
Option 1 – Do nothing	N/a
Option 2 –Customer Service consolidation with stand-alone web based initiatives delivered on a department by department basis	<ul style="list-style-type: none"> • Increase in first time resolution of enquiries • Increase in customer and staff satisfaction • Increase in % of customers seen at the CSCs within 20 minutes • Increase in % calls answered against calls presented in contact centre
Option 3a and 3b – Transformation of Customer Services via corporate wide process and technology change	<ul style="list-style-type: none"> • Increase in first time resolution • Increase in customer and staff satisfaction • Increase in % of customers seen at the CSCs within 20 minutes • Increase in % calls answered against calls presented in contact centre • Increase in % take up of digital channels • Development of key metrics and intelligence information on customer demands and patterns • Average time taken to complete end-to-end service delivery (designated services) • Increased awareness of reasons for contact and root causes of failure demand for the services to allow them to better plan service offerings • Better ward based information regarding use of Council services to support democratic process • Opportunity for greater resident involvement in service design • Higher levels of partner involvement through use of portal technology – improving access to partner services • Improved and more rapid feedback to residents and consumers of the service on raised issues, complaints, applications and service requests

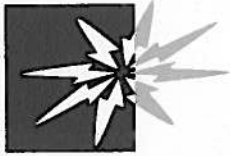
4.6 At the meeting of Cabinet in November 2013 Members will be asked to agree a set of budget proposals. That key decision will include costs for one of the options above. Officers intend carry out a detailed evaluation of options 3a and 3b and based on this, to include a bid within the later budget report.

4.7 At this stage, Members are asked to note the outline business and in particular the options analysis provided at paragraph 3.7 of appendix 1.

5. Comments of the Chief Finance Officer and financial implications

5.1 The case for changing the way the council interacts with it's customers is set out in the attached OBC and all options apart from Option 1 (Do nothing) should deliver on-going savings the Council over the medium term.

5.2 As this is only an OBC, the costs and savings should be treated with caution; in particular, savings have been extrapolated based on in depth analysis of only 4 of the larger areas which may not be representative of smaller services. Equally, the costs of IT investment could well vary by the time of going to the market.



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5.3 The OBC clearly states that the current business case **excludes** any costs or benefits around the proposed new Customer Service Centre facility. Members will need to understand the dependencies between the 2 projects before reaching any decisions.

5.4 The OBC outlines the additional resources required (revenue and capital) to deliver the savings and improvements to customers. These will need to be worked into the Council's overall MTFP to ensure that the required resources can be funded.

6. Head of Legal Services and legal implications

6.1 A number of decisions will flow from the actions outlined in this report, and the legal implications of these decisions will be included in future reports. Generally, as the CST programme develops, the Council should conduct any necessary consultation required as a result of the proposals for change to its service delivery models, and have regard to its Best Value and public sector equalities duties in making its decisions.

7. Equalities and Community Cohesion Comments

7.1 An Equalities Impact Assessment has begun and will form part of the full Business Case.

8. Head of Procurement Comments

8.1 The Customer Services Transformation Programme is currently at the Outline Business Case stage and a number of options are being considered. Once a full Business Case has been approved the competitive tender process will commence.

9. Policy Implication

9.1 The Customer Service Transformation Programme which aims to 'substantially increase customer service satisfaction through improved quality of service' will help to deliver the council's priorities set out in the Corporate Plan.

10. Reasons for Decision

No decision sought as this is being submitted for information

11. Use of Appendices

Appendix 1 has been used to provide a full version of the outline business case

12. Local Government (Access to Information) Act 1985