

Report for: Overview and Scrutiny Committee

Item number: 11

Title: Customer Service Transformation Update

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Ward(s) affected: All

**Report for Key/
Non Key Decision:** Non-key

1. Describe the issue under consideration

The purpose of this report is to provide a summary update on the overall Customer Service Transformation, previously briefed to Overview & Scrutiny in March 2017.

2. Cabinet Member Introduction – Cllr Joseph Ejiofor

How Haringey Council deals with enquiries and queries from our residents is the single most important factor shaping our residents' views of the council; because whilst not being indicative of the service that we provide, it colours the perception of these services. The saying goes "You only get one chance to make a first impression", however, in reality, every time a resident interacts with the council, we create a new 'first impression', which stays with the resident until they have to interact with us again.

This Council was honest enough to acknowledge that some of the savings that we made in summer 2016 made a significant impact on the Customer Service that we provided and the Overview and Scrutiny Committee rightly challenged us to do better. We are determined to deliver high quality customer services for our residents, businesses and communities in Haringey, and this report makes clear that we have accepted that challenge.

Over the last six months Customer Services has made significant steps towards providing that much improved service to residents in traditional face-to-face and telephone settings. We acknowledge that there is more that we can still do but average wait times in our customer service centres have reduced and more calls are being answered than ever before.

Furthermore, we have also made great strides in improving our digital offer. Our My Account platform continues to grow at a fast rate with 62,000 households now registered and alongside this Customer Services itself continues to grow by taking on additional frontline services such as social media and more controlled parking zones (CPZs) in order to truly be the front door of the Council.

While there are many good initiatives taking the service forward, it is important we prepare ourselves for future challenges and demands and continue to champion and provide improved digital, online and self-serve access to our residents. We will continue to develop and pilot new processes and technologies and work much closer with the back office to ensure a stronger end to end process and a better customer experience.

The focus going forward will be to continue to develop our digital offer so the more traditional face to face and telephony offers can focus on serving those in our communities that need it most.

3. Recommendations

That the information provided in this report is noted.

4. Reasons for decision

Not applicable

5. Alternative options considered

Not applicable

6. Background information

6.1 When reporting to this committee in March 2017 Customer Services was performing below expectations following a restructure in September 2016 in which £1.1million savings were achieved via implementation of digital systems and processes and therefore a reduction in resources. At the time of the restructure demand had not reduced and channel shift had not increased as first envisaged. This ultimately lead to pressures on the service, in servicing the demand presented.

Six months on from the last report the service has recovered and stabilised its performance to levels equal or slightly better than pre restructure performance.

6.1 What has led to stronger Performance Customer Services initiated an improvement programme in March 2017, that resulted in incremental improvements between March and May and continues to this day.

Improvements included:

- Homes for Haringey (HfH) officer seconded to focus on performance improvement given this constitutes over 40% of demand in contact centre and is a key client.
- Cross-skilling more customer service staff (HfH/Benefits) so they can respond to demand
- Temporary increase of staffing levels in Services Centres by 6 Full Time Equivalent
- Key services (Benefits, Council Tax, Parking and HfH) partnership responsibilities within Business Change Team redistributed to work to strengths and consolidate workload.
- Implemented recommendations from Corporate Delivery Unit review of March 2016.
- Implemented floorwalkers with handheld devices at Service Centres
- Implemented assisted self-scanning (Benefits documents) at Service Centres
- Proactively planning to manage pressure points and anticipate demand (e.g Mondays are non-process days, all staff on calls and desks)
- Greater visibility of performance – weekly and monthly reports produced

To build on and support the above improvements, the next natural step was to focus on workforce development and productivity. Therefore, Haringey Council engaged consultancy firm Price Waterhouse Cooper (PwC) with view to piloting an innovative programme called Perform in key areas of Customer Services. In May 2017, the programme was launched and ran for 12 weeks, concluding on 11th August 2017.

Perform is an operational excellence approach that optimises what managers do, how they do it, and the tools they use to improve performance and staff motivation. The 12-week programme, introduces 10 performance elements to Tier 3, 4 and 5 managers providing the operational tools and techniques to get more out of their teams. It delivers a step-change in efficiency, effectiveness, productivity and focuses on continuous improvement.

The aim of the programme is not about driving down costs. It is focussed on improving productivity, with a constant emphasis on improving customer & business outcomes through, driving customer value, increasing staff engagement, and creating a smarter operational model.

Key Outcomes from the Perform programme:

Service Centres (Face to Face)

- Customers seen within 20mins (SLA%) has increased by 27%
- Equivalent to an additional 1.3 FTE
- Average transaction time has reduced by 7%
- Average wait times have reduced by 15mins (50%) in terms of productivity

Contact Centre (Phones/email)

- Handling 33% more calls per FTE per day
- Equivalent of an additional 2.7 FTE per day
- The 'end of call administration' time has reduced by 34%
- Call handling time has reduced by 4%
- Productivity has increased by 11%.

Additional benefits

- Greater staff engagement and desire to do a great job
- A framework is now in place to help the teams sustain and improve on performance improvements
- Operational maturity (i.e. fully understanding and actively managing service provision) has increased across the service
- Individual team members have been identified as emerging talent, leading to a number of applications for the role of Acting Team Leader, and the successful appointment of one officer to this role in the Contact Centre.

7. What does demand look like across our service areas

The high volume service areas experience annual peaks in demand, most occurring in the second half of the financial year placing pressure on the resources available.

High volume areas continue to be:

- Homes for Haringey; 8% in face to face and 40% Contact Centre
- Benefits; 52% in face to face and 13% Contact Centre
- Council Tax; 13% in face to face and 17% Contact Centre
- Parking; 25% in in face to face and 10% Contact centre

This equates to 98% in the face to face centres and 80% in the Contact Centre.

Historically we have seen 62% of customers within 20 minutes in 2014/15 with 61% in 2015/16 and only 43% in 2016/17. To date this year, 51% of customers have been seen within 20 minutes and expect this to rise to 60% plus before year end therefore returning to historic performance with few resources.

The volume of ticketed customers has reduced although the reduction is far less than the 30% of resources. In 20/15/16, 145,515 ticketed customers were seen verses 135,209 in 2016/17 a reduction of 7.08%.

We continue to see a significant increase in the introduction of Controlled Parking Zones, and understand that this position is likely to continue for the next 2-3 years . Discussions are taking place between Parking Services and Shared Digital about replacing the current system (Civica CE) with one that is more future proof, that offers a virtual permits solution which included being accessible via My Account. While a new system will greatly reduce the level of processing effort currently

managed by Customer Services, it is unlikely that the system will be in place before the end of 2019.

8. Key Strands of Digital Contact Centre

A new vision and operating model for customer services was imagined in 2013, it was fundamentally under-pinned by the realisation of a successful channel shift strategy to reduce the volume of telephone enquiries and face to face non-essential enquires.

As take up of online services grow we have seen a reduction in all service demand areas in the Digital Contact Centre. In comparison to the previous year, this equates to a 24% reduction in 2016/17 and a further 10% this year to date. We fully expect reductions in demand to continue, especially as we introduce more digital, online and self-serve options.

8.1. Customer Service Transformation Fund

£1.4m in capital is being held for the continued transformation of the service. To date approximately £200,000 has been used, or is committed, for smaller transformation pieces within the service. These include:

- Automated switchboard
- Assisted self-service scanners x4
- Relocation of equipment to service centres to manage HfH fobs
- Project officer staffing cost to bring about pace of change in projects
- Improvements to telephone call routing

Discussions are taking place with the Shared Digital Service to identify and implement further digital offers in 2018 and beyond, such as:

- The introduction of web chat to support online service applications
- The integration of email mailboxes with the call management tool
- The offer of an automated call back service from the Contact Centre
- Multi-channel customer satisfaction tool
- Customer insight and enhanced reporting through My Account.

8.2. Social Media

In May 2017, responsibility for monitoring and responding to customer enquiries made to the council via social media (Twitter and Face Book) transferred to Customer Services and Libraries. Social Media was previously monitored by the Web Communications team, who continue to monitor and respond to contacts relating to policy or political matters.

A project is underway to develop a social media interaction model with a view to absorbing into the Contact Centre as business as usual, as call volume decreases. This will form the basis of the transformation towards a Digital Contact Centre in the future.

The decision to transfer the customer contacts aspect of social media to Customer Services and Libraries was made due to the significant increase in these enquiries in the past year. Since April 2016, customer related enquiries on social media increased by 781%, making this unsustainable for the Web Communications team to manage.

8.3. My Account

In July 2017, we successfully implemented six eForms within My Account for the key service areas Council Tax and Benefits.

- Council Tax Enquiry eForm
- Student Exemption eForm
- Benefits Enquiry eForm
- Discretionary Housing Payments eForm
- Evidence Upload eForm (Benefits)
- Free School Meals and Clothing Grant eForm

The new forms are enabling perceptible channel shift, and the uptake has been very positive. Since the forms went live we have received 1,646 submissions, approximately 235 per week (at 17th September)

The Housing Benefit department are currently considering de-activating the Benefits mailbox (Benefits@Haringey.gov.uk) as a result of the scope and quality of the contacts received by this method. Discussions are also taking place with the Council Tax department to follow suit on the same basis.

To date (17 September 2017) 60,920 Households have registered for My Account (58,336 have been activated). As committed at Overview & Scrutiny Committee back in March 17, at our current take up rate we fully expect to reach the 75,000 target by April 18.

9. Face to Face – integration of Customer Service Centres into libraries, new ways of working, capital programme

9.1. Service integration and capital investment (2015/16)

As previously reported, circa £3.3m was invested in the refurbishment of Marcus Garvey library which included the integration of Customer Services that were previously located at Apex House. The refurbishment has provided a high quality flexible, versatile blank canvas on which to re-establish the team and develop the service.

So far, as part of phase one circa £700k has been invested at Wood Green library to relocate Customer Services from 48 Station Road to the library. Phase two will see investment in the library space to fully integrate the services and facilitate new ways of working.

9.2. Service integration and capital investment (2017/18)

Capital investment

£ 2.4m of capital investment is planned for 2017/18 to improve and modernise Haringey's Library service offering. It will look to achieve this by improving customer perception, satisfaction and operational efficiency. The proposal is to invest circa £2.4m in the next 12-16 months across the following areas:

- **Hornsey Library**

To upgrade the library to a 21st century standard of resource provision whilst respecting the quality and character of the original building and whilst reflecting the current community of users and the varied requirements, including:

- Celebrate and enhance the setting of key original features which are fundamental parts of its listed status
- Integrate and respond to modern interventions focused on self-help (self-issue/returns)
- Consider re-zoning and re-definition of different areas of the library - open/intimate, lively/quiet, technology focussed/paper-based, varying age groups - whilst considering sight lines and supervision
- Replace, if possible, unsympathetic additions
- Ensure there is sufficient, appropriate space for study
- Modernise power and data provision
- Minimise building work and maximise use of furniture to define areas

- **Wood Green Library**

This is one of three main libraries in the borough but it has received little investment over the years and does not provide a modern library offer.

In 2016 customer services was relocated there from 48 Station Road as phase 1 of the transformation programme. This project, phase 2, will modernise the service and ensure that customer services and library services can integrate where it is advantageous and complementary to do so, retaining the distinct role of each service. This is an opportunity to pilot new ways of working in readiness for the move to a new location as part of the wider scheme for the area.

It is recognised that the life span of the building is limited and therefore investment will be limited to improving the layout and functionality of the space with minimal essential monies spent on the building. Initial Scope of works:

- Some Redecoration
- Interior redesign of the library spaces to modernise and better facilitate library floor walking and self- service technology.
- New furniture and signage

- **Investment in technology.**

Both the public and staff IT infrastructure (hardware and software) has hardware that is at the end of its life with narrow bandwidth in some locations that cannot provide the required high speed connection for modern service provision. To facilitate the national and organisational digital by default agenda. Initial scope of works across all sites includes:

- Software upgrade – library management system (LMS) module, roll out of ‘public access computer and print management
- Hardware – library self-service kiosks, replacement public access computers and printing facilities.
- Improved Wifi
- Creative technologies for art and music and signage – to be explored once the core offer is fit for purpose.

Branch libraries

Branches have had little or no investment over the years and although the investment in IT will see the main investment, some essential updating of the libraries is required to modernise and create flexible, clean and welcoming spaces for residents. Initial scope of works to include:

- IT improvements
- Some redecoration
- Some replacement furniture including book promotion units (look to swap and move around existing furniture initially.)

Service integration

Staff teams at Marcus Garvey and Wood Green continue to be cross skilled to work across different service areas to build a flexible, agile workforce that can be responsive to peak demand, while recognising and retaining specialist knowledge within Customer Service and Libraries to ensure the services are complementary to each other.

Over the last 12 months A weekly one-hour training session has been used to raise awareness of service transformation within the wider team.

Service Development

Each of the three main libraries at Wood Green, Marcus Garvey and Hornsey are in the process of establishing a lead officer/ champion for specific elements

of the service such as Children, Reading and Literacy, Information and Health (including digital). These officers continue to work at an operational level but work with the support of managers to ensure that the offer in their lead area is current and active in terms of both stock and events.

9.3. Apprenticeships

We are recruiting for 3 apprentices that will work at the 3 main libraries / customer services; Hornsey, Wood Green & Marcus Garvey Centre. The apprenticeship period is 1 year.

Haringey Council are piloting a new scheme for apprentices following the government's introduction of an apprenticeship levy (tax) that was launched in May of this year. The council pays 0.5% of the levy & we are able to use that money to pay for the training.

I believe this is a good news story; working in partnership with a local college CoNEL to facilitate formal training at either GCSE or A Level for young people from the local community.

9.4. Stock

Procurement is underway for a new stock supplier for books, which is expected to be in place in the new year, Books are being bought through an interim arrangement with a supplier negotiated via the procurement framework. Stock selection will be carried out local library managers who will be able to select books that meet the needs of the communities they serve. They have this knowledge through conversations with customers and friend's groups and by using their local knowledge to ensure we are buying the right books for the right libraries to improve customer satisfaction and get value for money for the spend on books.

10. Contribution to strategic outcomes

The Customer Service Transformation programme fully supports one of the key cross cutting themes within the Corporate plan of 'Customer Focus' and placing our customer needs at the centre of everything we do.

11. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

An Equalities Impact Assessment was carried out at the start of the Customer Services Transformation programme, which applies to all changes taking place in Customer Services and Libraries.

12. Use of Appendices

None.

13. Local Government (Access to Information) Act 1985

Not applicable