

Finance and Resources Committee

10.00am, Thursday 15 January 2015

Customer Services Improvement Programme: Quarterly Update

Item number	7.12
Report number	
Executive/routine	
Wards	All

Executive summary

Following approval of the Corporate and Transactional Services Improvement Plan (now named Customer Services Improvement Plan (CSIP)) at the Council meeting of 31 January 2013, the programme committed to providing quarterly updates on progress to the Finance and Resource Committee.

Positive progress continues to be made with more online transactions going live, a steady increase of citizens registering for myAccount, further process improvements being identified and the automation of high volume transactions approved for Council Tax and Benefits going live in December.

An increase has been seen in the value of in-year recovery of Council Tax when compared to the same time last year.

This report provides an update on progress since the last report considered in September 2014.

Links

Coalition pledges	P33, P30
Council outcomes	CO23, CO24, CO25, CO26
Single Outcome Agreement	SO1

Customer Services Improvement Programme: Quarterly Update

Recommendations

- 1.1 It is recommended that the Finance and Resources Committee:
 - 1.1.1 Note that 12,200 transactions have been carried out online since going live and 19,000 citizens have registered for myAccount.
 - 1.1.2 Note that marketing using existing channels eg. social media, telephony is underway with a strategic marketing plan being developed.
 - 1.1.3 Note the business case for eHR phase 2 has been signed off by the board.
 - 1.1.4 Note that automation of high volume Council Tax processes went live in December with Benefits processes planned for January 2015.
 - 1.1.5 Note that Risk Based Verification for Housing Benefits change of circumstances went live in November. This reduces the need to gather evidence for every change resulting in improved processing times.
 - 1.1.6 Note that the Assisted Digital project, now renamed Get Online, is providing an increasing number of supported sessions to get people online across the City.
 - 1.1.7 Note that Council Tax in year collections for 2014/15 is 0.23% higher when compared to the same point last year giving a positive indicator against our target of 0.3% for the year.
 - 1.1.8 Note that the programme is now reaching a closing stage with projects either being completed or transferred and that a closure report will be provided to the committee in March 2015.

Background

- 2.1 In January 2013, Council approved a programme of improvement in the Customer Services (CS) division, subject to an amendment raised.

- 2.2 The £4.21m budget for phase one of the CSIP was approved at the budget meeting on 7 February 2013 and was released on 1 April 2013.
- 2.3 An additional update report was made to the Finance and Budget Committee on 21 February 2013 addressing the points raised in the amendment.
- 2.4 CSIP committed to reporting progress on the programme on a quarterly basis to the Finance and Resources committee. This report seeks to update elected members accordingly.

Main report

- 3.1 The programme is continuing to deliver a variety of projects which are aimed at achieving the intended benefits and outcomes contained in the business case. Some of these projects have now reached a successful conclusion whilst others are making good progress. Key milestones are highlighted in the following paragraphs.
- 3.2 The business case for e-HR phase 2 has been signed off by the Board which will deliver extended managers' self service and improve functionality in performance management.
- 3.3 The Council's new responsive website continues to see an increasing trend towards mobile access. From the launch in April there has been an increase in traffic from mobile devices of 28% year on year (tablet 28.9% and mobile 28.3%).
- 3.4 More online transactions went live in December eg. parking permits, school catchment, health and social care self assessment. Appendix 1 shows all phase 2 transactions. To date 12,200 transactions have been carried out online by citizens.
- 3.5 The automation of high volume Council Tax processes went live in December and will reduce processing times for customers. This is a significant step toward the Council's channel shift strategy. Automation of housing benefit claims is planned to be delivered early next year.
- 3.6 A programme of business process improvements continue within the Customer Hub to achieve efficiencies and provide a better customer experience. Focus so far has been on Customer Care, Switchboard, Clarence and Waste Services. Projects which are in progress include:
 - development of call routing for the switchboard to direct customers to the required service and reduce abandonment rates;
 - improvements to service requests received by email for Clarence and Waste to encourage customers to go online; and
 - joint review of the end to end process for missed bins and waste with service areas.

- 3.7 A range of business process improvements that were implemented earlier in the year to improve Council Tax collection continue to show positive signs on in-year collection rates for 2014/15 with collection rates 0.23% higher than the same period last year.
- 3.8 Risk Based Verification for Housing Benefits change of circumstances went live in November. The software carries out a risk assessment of the change through a number of checks and validations. The processing team will then only request evidence of a change when it is deemed high risk therefore reducing processing times and providing an overall better experience for the claimant.
- 3.9 Working with the Improvement Service the Council has successfully implemented the Scottish Government MyAccount service to authenticate citizens who interact digitally. Since going live 19,000 citizens have registered. A marketing campaign is underway to encourage citizens to register to MyAccount.
- 3.10 Progress is being made to move towards a single view of the customer by implementing technology and processes to match records across all systems. This gives the Council a single view of its customers. To date, over 90,000 records have been matched. A programme of data cleansing of unmatched records is underway to increase the number of matches.
- 3.11 The Assisted Digital project, now renamed Get Online, is a collaborative programme in partnership with Libraries and Housing and continues to positively influence digital inclusion by expanding into other venues and areas of the city.
- 3.12 Since August, 18 Get Online sessions have been held with approx. 450 in attendance. This has utilised 306 volunteer hours including high school pupils which has been very successful and it is intended to replicate this across other locations.
- 3.13 Get Online has also become one of the parties involved in a new partnership with the DWP at East Neighbourhood. This involves a weekly drop-in afternoon where a representative of the Department for Work and Pensions (DWP) and various council services are on hand to provide guidance and advice across a wide range of benefits, employability and housing issues.
- 3.14 A marketing agency was appointed in December to develop a channel shift marketing strategy for the Council. In the meantime a tactical marketing plan is underway using existing channels eg. email, telephony, social media to encourage citizens to use our online forms and register to MyAccount.
- 3.15 Work is continuing to grow current services and opportunities are being identified that will form future phases (Grow) of the CSIP. This phase of the programme will be delivered as part of the strategic channel shift project. Discussions continue with service areas on the following processes:
- expansion of Social Care Direct;
 - Translation and Interpretation Services;

- assessment, Homelessness and Support services out of hours service;
 - Edinburgh Building Services appointments for repairs;
 - payments for IPFM (Integrated Properties and Facilities Management);
 - links between Non Domestic Rates and Trade Waste;
 - collaboration between Scottish Ambulance Service and Social Care Direct; and
 - ad hoc campaigns (e.g. school placement requests helpline).
- 3.16 The status of individual projects is detailed in the bi-monthly status report in Appendix 2.
- 3.17 Given the completion of specific projects and the potential to merge some remaining work into the wider Channel Shift programme, a review of the programme has been undertaken to make sure that resources are correctly aligned. It is now intended that the programme will move towards a closing stage with all projects either being complete or transferred to the most effective delivery arrangement. Planning is now underway for this and a closure report will be provided to this committee in March 2015.

Financial Update

- 3.18 The CSIP revenue budget for 2014/15 including loans charges and unspent monies drawn down from earmarked reserve is £1.64m. This is currently on target to break even for 2014/15.
- 3.19 The Capital and Revenue budgets and 2014/15 projections are outlined in Appendix 3, this reflects a shortfall in savings targets of £0.095m, mainly due to delays in implementation of the functionality required of the CRM system. This has been offset by a projected reduction in project management costs of £0.1m.
- 3.20 Council tax collection rates have been budgeted to increase by 0.2% in 2013/14, 0.3% in 2015/16 and 0.5% in 2015/16. This budget is held corporately and therefore outside of the CSIP budget. Although the overall success of these improvements will take four years to achieve, for 2013/14 the savings target was exceeded by £0.2m.
- 3.21 Risks to delivery of future savings include:
- **Achievement of Savings from Customer Access Channel Shift are fully realised in 2014/15 and future years.**
Although there has been an impact on savings targets achieved in 2014/15 as a result of delays in implementation of the required functionality of the Customer Relationship Management (CRM) system, a revised business case is currently being produced identifying alternative efficiencies to mitigate this shortfall.

- **Customers who do not wish to use on-line services**

A critical part of the programme is channel shift, migrating customers away from more expensive service lines. To mitigate the risk that customers do not adopt these new channels a range of communication and marketing events are planned in order to raise awareness.

Measures of success

4.1 CSIP has the following key measures of success (when compared with 2011/12):

4.1.1 reduce the running costs of Customer Services by £3.2m per annum by 2017/18;

4.1.2 increase Council Tax collection rates to improve Council income by £1.2m per annum by 2015/16;

4.1.3 reduce the unit cost of transactions processed by Customer Services;

4.1.4 increase the range of delivery channels for Customer Services (e.g. on-line services);

4.1.5 improve customer satisfaction for transactions processed by Customer Services;

4.1.6 increase the range of Council services available via Customer Services; and

4.1.7 transform Customer Services by the addition of proactive services.

Financial impact

5.1 The £4.21m investment required to deliver the first phase of the Customer Services IP was approved on 7 February 2013, with future phases included in the 5 year budget framework. Subsequent phases and savings of the programme GROW will be subsumed within the strategic channel shift project.

Risk, policy, compliance and governance impact

6.1 Risks have been identified and mitigated. CSIP is following Council compliance guidelines through audit and assurances reviews with follow up meetings. In line with Council Policy, new systems and processes are being developed and implemented that will have a positive impact on our citizens experience and on the way the Council carries out its business. Similarly the simplification and automation of processes and systems will have a positive impact on governance for both the citizen and Council.

Equalities impact

7.1 It is anticipated that the overall programme will have a positive impact on equalities due to a wider choice of access options available to customers. An

Equalities Impact Assessment is currently being produced in accordance with the agreed Council process.

Sustainability impact

8.1 There are no direct sustainability implications arising from this report. A Sustainability and Environmental Impact assessment will be published in accordance with the agreed Council process.

Consultation and engagement

9.1 A programme of internal and external consultation and engagement has been initiated in conjunction with colleagues in the Business Intelligence Service and Services for Communities. A regular forum with the trades unions has also been established.

Background reading/external references

[Corporate and Transactional Services Improvement Programme Update](#) – Finance and Budget Committee, 31 January 2013.

[Corporate and Transactional Services Improvement Programme Update](#) - Finance and Budget Committee, 21 February 2013

[Corporate and Transactional Services Improvement Programme Update](#) - Finance and Budget Committee, 21 March 2013

[Corporate and Transactional Services Improvement Programme Update](#) – Finance and Resources Committee, 6 June 2013

[Corporate and Transactional Services Improvement Programme Update](#) – Finance and Budget Committee, 19 September 2013

[Customer Services Improvement Programme: Quarterly Update](#) – Finance and Resources Committee, 16 January 2014

[Customer Services Improvement Programme: Quarterly Update](#) - Finance and Resources Committee, 6 June 2014

[Customer Services Improvement Programme: Quarterly Update](#) – Finance and Resource Committee, 9 September 2014

Alastair D Maclean

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Links

Coalition pledges	<p>P33: Strengthen Neighbourhood Partnerships and further involve local people in decisions on how Council resources are used</p> <p>P30: Continue to maintain a sound financial position including long-term financial planning</p>
Council outcomes	<p>CO23: Well engaged and well informed – Communities and individuals are empowered and supported to improve local outcomes and foster a sense of community</p> <p>CO24: The Council communicates effectively internally and externally and has an excellent reputation for customer care</p> <p>CO25: The Council has efficient and effective services that deliver on objectives</p> <p>CO26: The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives</p>
Single Outcome Agreement	<p>SO1: Edinburgh's Economy Delivers increased investment, jobs and opportunities for all</p>
Appendices	<p>Appendix 1 – list of all phase 2 transactions</p> <p>Appendix 2 – Programme Status Report (summary) – Jun-Jul 2014</p> <p>Appendix 3 – Financial Update</p>

Appendix 1

Phase 2 Online Transactions

No.	Transaction Description/Process being automated
1.	Setting up and moving a Council Tax account (move in/out and within)
2.	Setting up a Direct Debit
3.	Change of circumstances
4.	Single Person Discount
5.	Unoccupied discount and exemptions (time limits)
6.	Refunds
7.	Credit Transfers
8.	Student discount (at establishment with consent)
9.	Setting up and moving an NDR account (move in/out)
10.	Setting up a Direct Debit
11.	Refunds
12.	Setting up a new claim (any combination of Housing Benefit, Council Tax Reduction, and/or alternative maximum council tax reduction (AMCTR or 2AR) on the same form)
13.	Evidence gathering
14.	Parking - apply for permit
15.	Parking – renew parking permit
16.	Housing (display of rent arrears, and other useful financials defined by business to be placed in VIEW ME)
17.	Self Assessment form/Assessment Lite & use of I chat in Contact Centre
18.	Developing a “Fostering Emergency” fast and efficient contact.
19.	Early Intervention (vulnerable children at risk)
20.	Road Permits application

21.	Pay a roadwork's penalty notice (online channel only)
22.	Pay Council Tax / NDR / Council Rent (online and phone channels)
23.	Parking, appeal of parking fines
24.	Road Permits Application Forms
25.	Out of catchment applications for School places
26.	Digital Rents (text messages for arrears and online payments)

Appendix 2

Name Programme/Project	Customer Service Improvement Programme	Programme / Project RAG Status	
Sponsor:	Alastair D Maclean		
Project/Programme Lead (SRO):	Danny Gallacher / Karen Kelly	Current	Last Period
Project/Programme Manager(s):	Laura Stewart	Amber/Green	Amber/Green
Portfolio:	Transformation		
Reporting Period:	October/November	Programme Phase:	Improve / Grow
Programme/Project Description			
To provide a high quality, responsive and proactive service to the customers, businesses and employees of Edinburgh – whatever, whenever and wherever they want them. To provide these services the programme has been divided into three distinct phases, Improve, Grow and Transform. We are currently transitioning from the Improve phase towards Grow.			

Progress Summary for Period
<ul style="list-style-type: none"> • eTransactions phase 1 is going live early December with phase 2 being handed over to operational teams as business as usual • eHR+ will be delivered as business as usual within HR, Payroll & Payments team. • Master Data Management - a programme of data cleansing of 9,000 Council Tax records is underway. • Assisted Digital project is now rename Get Online and is increasing supported sessions across the City. • Customer Access – good progress is being made in identifying improvement projects and mini business case are being prepared. The channel shift delivery of this project will be incorporated into the Council wide channel shift project with process improvement projects being delivered by the operational teams as business as usual. • Phase 3 online transactions are underway. • Following the recent programme review, work is progressing to close the programme and provide a final report to Finance and Resource Committee in March 2015.

Links

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CGMT Performance Reporting			
Action	Deliverables and Measures	RAG	Reason for RA(G) Status (Time/Cost/Quality/Resource, etc)
Improve accessibility of Council services	Customer Services - Develop and implement new business processes with detailed monthly progress reporting through Customer Services Transformation Programme Status Report.	Green	Process improvements have been identified in the Customer Hub and mini business cases are being prepared. eTransactions phase 1 going live early December.
	Deliver new responsive Council website with detailed monthly progress reporting in ICT Transformation Programme Status Report.	Green	Responsive website has now gone live as of April. Early signs show a positive growth towards the use of tablets and mobile devices.
	Deliver functional specifications for increased online transactions with detailed monthly progress reporting through Customer Services Transformation Programme Status Report.	Green	Phase 2 online transactions underway eg. Parking, self assessment. This includes automation of the high volume Council Tax processes going live early December.
	Deliver a platform to support digital customer transactions with detailed monthly progress reporting through ICT Transformation Programme Status Report.	Green	The number of online forms submitted since going live with digital transactions is continuing to increase with over 12,200 forms being submitted to date.
	Approve and implement Digital Inclusion Strategy with detailed monthly progress reporting through ICT Transformation Programme Status Report.	Green	Since August 450 people have attended a Get Online session involving 306 hrs from volunteers. New weekly drop in sessions have started in partnership with DWP.
	Communicate with Customers to raise awareness of new processes with detailed monthly progress reporting through Customer Services Transformation Programme Status Report.	Amber	Social media promotion underway. Messages on call routing and Council Tax bills being planned. Marketing Agency due to be appointed early December.

Status Commentary against overall Progress		
Project / Workstream	RAG	Reason for RA(G) Status (Time/Cost/Quality/Resource, etc)
E-Transactions	Green	<p>Users acceptance testing completed with 135 cases being tested resulting in 37 issues raised and 34 being fixed with only priority issue which impacted go live. This has now been resolved and Council Tax processes will go live early December.</p> <p>Benefits online forms are being procured. Proposed ICT design for integration with the ICT transformation project is being developed and costed and planned delivery January 2015.</p>
E-HR iTrent Upgrade	Green	<p>Performance Management “as is” processes documented and activities added to project plan. Automation of contractual letters - content of letters being agreed.</p> <p>P60s live and communications to staff issued.</p>
Customer Access Channel Shift	Amber	<p>To date there has been over 12,200 online forms submitted and over 19,000 customers have signed up for a Council account through Citizens Account.</p> <p>A number of process improvements are being delivered including use of IVR on the Switchboard to reduce the levels of abandoned calls, improvements to service requests received by email for Clarence and Waste and joint review with Service Area of end of end process for missed bins</p>
Customer Experience / Research (Responsive website)	Green	<p>The Responsive Website has now been up and running for a full 6 month period (launched April 15th 2014). Looking at the current picture vs. year-on-year, the use and discovery of the site by visitors from mobile devices continues apace:</p>
Master Data Management (MDM)	Amber	<p>There are approximately 90K matched “golden records”. A programme of data cleansing activities are underway to increase the number of matches. The collection of customer DOB details (Date of Birth) is ongoing with over 10,000 collected by the Customer Hub. Resources are being identified across Customer Services.</p>
Communications & Marketing	Amber	<p>Tactical marketing plan is underway utilising existing channels. Social media campaign is working well which has seen an increase in the number of transactions and mygovscot registrations.</p> <p>Appointment of external agency expected early December</p>

Assisted Digital (Get Online)	Green	<p>Since August, 18 Get Online sessions have been held with approx. 450 in attendance. This has utilised 306 volunteer hours including high school pupils which has been very successful and it is intended to replicate this across other locations.</p> <p>Get Online has also become one of the parties involved in a new partnership with the DWP at East Neighbourhood. This involves a weekly drop-in afternoon where a representative of the DWP and various council services are on hand to provide guidance and advice across a wide range of benefits, employability and housing issues.</p>
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Appendix 3 - Capital Spend/ Budget

	2013/14 spend	2014/15 Revised Budget	2014/15 Projection	2014/15 Projected Variance	2015/16 Revised Budget	2013/14-2015/16 Total Budget
	£000's	£000's	£000's	£000's	£000's	£000's
CRM Functionality / Single Desktop & Integration	1,360	780	806	26		2,140
API's	57	316	316	0		372
Web Forms	67	7	21	14		74
iTrent Upgrade		132	132	0		132
Web Team	33	100	100	0	98	231
Laserserve	74	105	105	0		179
Digital Assisted training		27	0	(27)		27
TOTAL	1,591	1,467	1,480	13	98	3,155