

Achieving Excellence – Customer Services

The City of Edinburgh Council

18 December 2008

1 Purpose of report

- 1.1 The purpose of this report is to update Council on the development of a Customer Services Strategy and business case which it is proposed is incorporated into the over-arching Achieving Excellence programme.

2 Summary

- 2.1 An extensive programme of consultation has taken place over the last six months with departments to develop a business case for investment in Customer Services Improvement. This has identified that there is strong commitment across the organisation towards working together to deliver a Corporate Customer Services Improvement programme.
- 2.2 A proposed programme has been designed based on a five year plan of short, time-bound improvements building towards a vision rather than a single large scale change project. The first year of the programme would be focused on addressing quick wins and developing our understanding of both the customer and our own operations. Early tactical investment is essential to address system stability issues with the contact centre.
- 2.3 At this early stage of scoping the costs of the programme and series of projects over five years are estimated at £16.984m. The benefits cannot be clearly specified without some early investment and work being taken forward to baseline existing departmental operations. A range of funding sources have been identified which could be directed towards supporting the programme including the BT Efficiency Fund.
- 2.4 This report has been discussed in detail by the Smart City & ICT Partnership Elected Member Sounding Board. It is recommended that the overall vision, scale and scope of the work programme is now endorsed by the Council. Project Initiation Documents (PIDs) for each work stream are being developed and will be presented to meetings of the Policy & Strategy Committee over the next six months.

3 Background

- 3.1 A previous report to the Council on 26 June 2008 highlighted the outputs of the Shared Services Pathfinder Diagnostic project. The report noted that the business case was not robust for the Initial Customer Contact and Assess & Decide workstreams. It was agreed that further scoping and consultation work with departments should be undertaken to create a Corporate Customer Services programme within the Achieving Excellence programme.
- 3.2 A short-life project team has been established and led by E-Government. This includes staff from BT, Finance, Financial Services, Customer Services and PSP functions. Heads of Service were identified as sponsors and champions of the interests in their respective departments.
- 3.3 Departmental workshops, introduced by the appropriate Head of Service, were held to identify current baseline information, "pain points" and critical success factors. Follow up meetings have been held with Heads of Service to review findings and draft a Customer Services Vision along with the proposals set out within this report.

4 Customer Services Vision

- 4.1 The project team have identified the following proposed vision or mission statement for the programme:

"Working together to put the Customer first.....making our services:

- *Simpler,*
- *Safer,*
- *Effective,*
- *Efficient,*
- *Right First Time*

for all our Customers"

- 4.2 In practical terms staff have identified that achieving this vision will require:

- Getting things right first time by joining up end-to-end service processes and closing the loop;
- Simplifying and standardising processes, ensuring they are used consistently across departments and throughout the Council;
- Satisfying more service requests at an earlier point of contact and avoiding unnecessary contact by being proactive, reducing errors and rework, and

freeing up time for professional staff to deal with more complex service requests;

- Shifting interaction with customers to more efficient and convenient channels where practical, moving contact to web and telephone rather than face-to-face;
- Establishing effective performance monitoring and management to identify current performance and costs of end-to-end processes;
- Developing a single view of the customer across the Council and moving towards the management of multiple transactions with the Council associated with particular life events – eg. moving to the area; and,
- Understanding our customers and designing service from their perspective through a comprehensive and integrated research programme.

4.3 The workshops have identified that an effective transformation programme will require as much, if not more, focus on process, organisation and people/ cultural issues as new technologies. Key issues identified by staff include a fragmented understanding of service processes and a lack of consistency in customer experience both within departments and across the Council. It is not possible to gain a comprehensive baseline of current performance or the cost of Customer Services across the organisation.

4.4 On this basis it is recommended that Year 1 of an investment programme should focus on Understanding our Operations and Customer which will allow a clear baseline and plan for improvement to be established from which to monitor performance improvement. A series of tactical improvement projects both in terms of organisation, business process and technology should be taken forward addressing particular 'pain points' for the customer and delivering 'quick wins'.

5 Proposed Customer Services Programme

5.1 The proposed programme has been designed from the basis that the Council will want to deliver integrated and joined up customer services by 2012. The Council needs to commit in principle to this vision and the objectives of the programme. The overall business case will be continuously revised and refined particularly over the next year as the Council gains a better understanding of our operations and customer.

5.2 It is proposed that the programme will be delivered as a series of short, time-bound improvements which build towards the vision outlined in section 4 rather than the traditional single large scale change project. The proposed phasing will also address improvement in high-volume transactional services at as early a stage of the programme as possible.

5.3 The ambition will be to create momentum and gain staff commitment to the wider, more strategic projects and investments later in the programme. The scale of risk and investment can be managed more effectively with this type of programme delivery. It should however be recognised that commitment to the

Vision and Scale of the Programme at this stage is essential if not for every particular project and investment.

5.4 A work programme has been identified by the project team which comprises of ten separate but interdependent workstreams or projects. These are:

- Channel Strategy;
- Business Process Change;
- CRM Systems;
- Web and Intranet;
- Telephony Management & Infrastructure ;
- Payments;
- Complaints;
- Common Assessment Process;
- Training & Development; and,
- Customer Research & Consultation

These individual workstreams or projects need to be brought together in terms of both programme management but also in order to establish effective performance management and planning of customer service improvement at a corporate and departmental level.

5.5 Workstreams and projects are at different stages of development and further reports will be presented to the Policy & Strategy Committee as proposals are agreed with departments.

5.6 It is proposed that the programme is managed through a Board chaired by the Director of Corporate Services. Heads of Service would lead particular cross-cutting projects within the overall programme but also take responsibility for championing the development of Customer Services within their department.

6 Financial Implications

6.1 At this early stage of scoping the total costs of the programme over five years are estimated at £16.984m. Costs of £3.2m have been identified for the first year of implementation of which:

- £2.15m relate to technology and the replacement /refresh of web sites, introduction of an interim contact centre technology platform and upgrade of the telephony network;
- £200k relates to external consultancy support in terms of business process change and customer research;

- £850k relates to the creation of internal project teams and recruitment of staff with specialist skills required for the programme. Some of this spend could be offset by reprioritising existing staff from other programmes.
- 6.2 Costs in Years 2 and Years 3 of the programme rise significantly to £5.5m. This rise in the cost of the programme is largely due to the costs associated with introduction of an enterprise wide CRM platform.
- 6.3 A range of potential funding sources have been identified. Unallocated funding in the BT Efficiency Fund is available of approximately £1.6m in 2009/10 rising cumulatively to £12.8m by 2012/13 from the renegotiation of the BT Partnership contract. It is also anticipated that reprioritisation of staff towards the programme and the renegotiation of the Council-wide telephony contract could be used to offset costs.

7 Environmental Impact

- 7.1 It is anticipated that the proposed Customer Services programme has the potential to realise significant environmental improvements particularly through the reduction of printed output and through the movement of customer contact to more efficient and effective channels. Work to date has identified that accurate baseline information is not readily available from departments. A critical activity over the next year will be to establish a baseline from which to measure improvement.

8 Recommendations

- 8.1 It is recommended that the City of Edinburgh Council:
- a) note the work undertaken to consult with departments and further scope a Corporate Customer Services Strategy within the context of the Achieving Excellence programme;
 - b) endorse the vision for Customer Services set out within section 4 of this report;
 - c) endorse the outline of the proposed work programme and the development of Project Initiation Documents (PIDs) for each work stream over the next three months; and,
 - d) note the financial implications of the proposed work programme.



10/12/08

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Appendices	None
Contact/tel/Email	Mike Taylor, Programme Office Manager, E-Gov 0131 469 6451 Andrew Unsworth, Head of E-Government 0131 469 3965
Wards affected	All
Single Outcome Agreement	
Background Papers	Report - Customer Services Strategy, CMT 17/7/08 Report - Customer Services, CMT 17/4/08