



To: Finance and Corporate Services Scrutiny Board (1)

Date: 1 July 2015

Subject: Update on Customer Journey Programme and Customer Services performance

1. Purpose of the note

1.1 To provide an update to SB1 on the current access and performance of Customer Services including telephony and e-mail performance and management of customer demand. To detail the actions being taken and the progress of the Customer Journey programme.

2. Recommendations

2.1 Members of the Board are recommended to:

- a) Note the content of the briefing note.
- b) Identify any recommendations for the relevant Cabinet Member.

3. Context

3.1 The Council is implementing its Customer Journey programme as part of its transformation of services and medium term financial strategy. This includes an agreed Council policy of consolidating customer reception/face to face services and telephony within Broadgate House by Autumn 2015 and moving many more services and transactions online so that customers can self-serve at times and in ways convenient to them.

3.2 As a result of government funding reductions, the Council needs to deliver £5m of savings through the Kickstart and Customer Journey programme by 2017/18 - £0.5m in the current financial year, equivalent to 20% of the customer services total staffing budget.

3.3 Efficiencies will only be possible through the Customer Journey programme if the Council is able to reduce the number and proportion of contacts that it receives through more expensive forms of contact such as face to face and telephone, to self-service. Research shows that a face to face transaction costs £7.90, whilst a telephone transaction is £2.40 and a self-service transaction 32p. This requires the technology to be in place to enable this change to happen. We have increased self-serve from <1% to 16% in 2014/15, but need to accelerate the pace of this change to achieve 45% by the end of 2017/18.

3.4 One of our biggest pieces of work is to encourage more people to do simple things with us online now – requesting information, paying bills, requesting services, reporting missed bins and making applications. This will help reduce our queues on the telephone, giving advisors more time to spend with vulnerable people who need our help with more complex enquiries, or where we don't yet provide the service online, or to assist customers to get familiar with going online through our new self-service facilities when Broadgate House opens. We know that lots of people in the City want to and are able to transact with us online. We will be providing facilities in Broadgate House for customers who may not have access to a computer.

3.5 The Customer Journey programme and savings are important context for the current performance of the contact centre as we are implementing significant change and want to encourage different ways to contact us and in some cases to change expectations on the services we can afford to provide. A number of milestones have already been achieved to date since the last programme update to SB1 In August 2014:

- New payment system across all channels,
- Website completely redesigned and improved including mobile friendly capability,
- Online self-serve introduced for Council Tax & Housing Benefits – through MyAccount – with roll out to other services in progress,
- Customer Services functions centralised from across the entire Council,
- Telephone queuing capability provided to a number of new teams, and
- Fundamental redesign of service delivery commenced.

4. Current service challenges

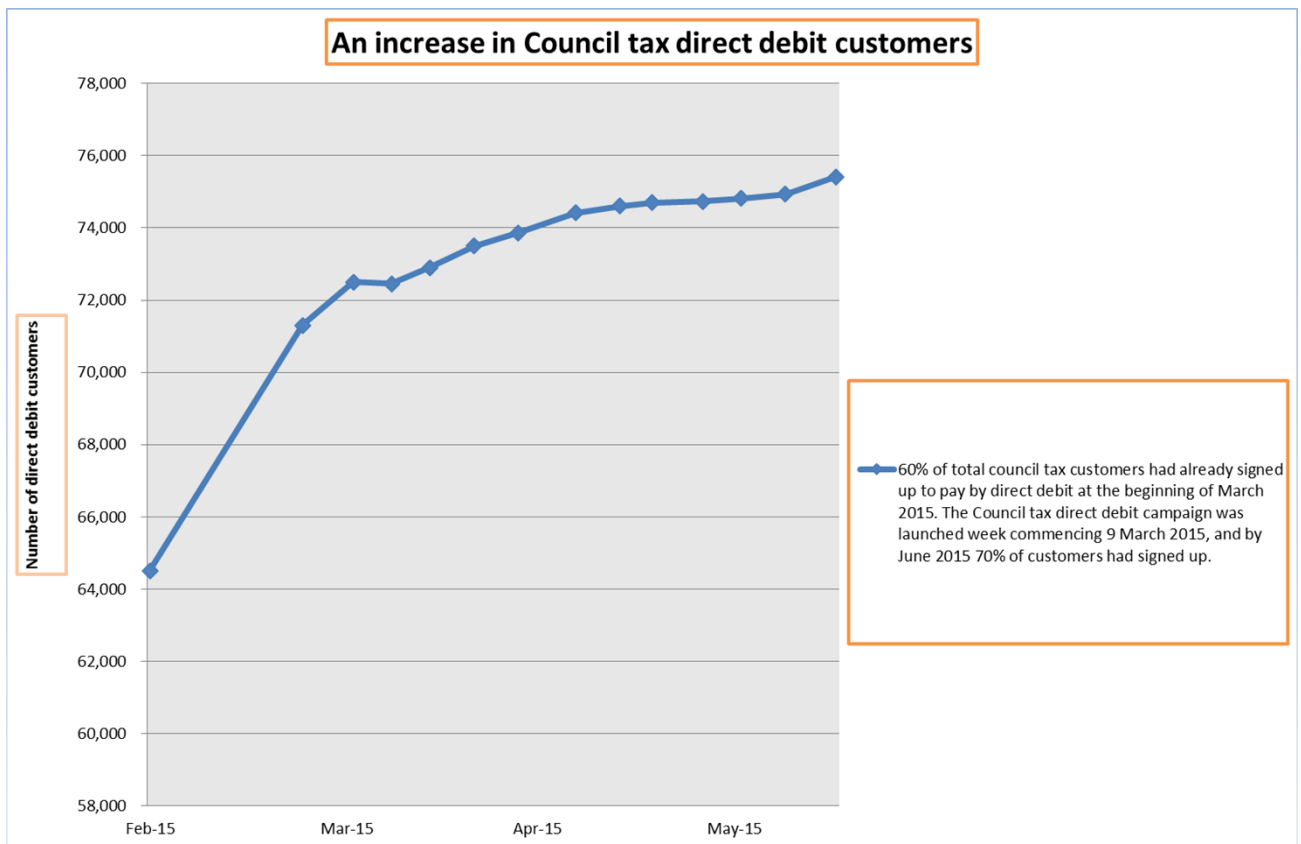
4.1 One of our biggest challenges is balancing the resources available to deliver Council services, with the demand for those services. Through the Customer Journey programme over the coming year, we will be working to reduce the numbers of telephone calls that we receive and in turn reduce wait times and abandonment rates. The current service challenges are:

- The contact centre has lost staff through the Council's corporate early retirement/voluntary redundancy programme in order to deliver savings and balance the budget.
- Attrition is not unusual within a contact centre environment and we have also experienced high vacancy levels over the last few months when our phone lines have been particularly busy around annual billing.
- As other services across the Council change to reflect the savings the Council needs to make – this can lead to an increase in calls as the service being delivered is not the service that customers have come to expect. The contact centre experiences higher demand if there are changes to underlying service delivery quality and frequency.
- The financial climate for customers personally places demand pressures on the Council including the demand for housing benefit applications and council tax debt recovery processes – demand is often unpredictable.

- A range of technology challenges in advance of us upgrading and replacing an aged telephony system affecting reliability of the telephone system.
- In addition, legislative changes such as the Care Act place additional obligations on the Council and may lead to an increase in demand in the future for which there is no current resourcing available.

5. Service performance

5.1 We have received a significant result by increasing direct debit uptake following a campaign in February which will lead to reductions in face to face contact and telephony contact during 2015/16. We have launched a further campaign where customers can win their council tax paid for a year during June.



5.2 In terms of telephony, we receive an average 45,000 calls a month, with the main volume areas being missed bins (Place services), council tax and housing benefits. Call volumes to advisors have not yet reduced compared with the last few years. A further 13,000 calls a month are being handled through automated telephony for council tax and housing benefits as part of our strategy for introducing self-service which also includes web payments, MyAccount and kiosks for payments. MyAccount now has c1600 users and 475 customers have transacted on line – we will be launching this widely over the next month and it will begin to address council tax and housing benefit telephony volumes.

5.3 Call volumes fluctuate at different times of the year and we tend to be busier on a Monday and Tuesday, mid-morning and early afternoon. Call wait times vary between services within the contact centre and the time of day when the customer attempts to

make contact. On average this is between 4 and 10 minutes across all services. At peak times the average wait time is 30 minutes for council tax and 16 minutes for Place services. This is in line with historical council tax performance, but does represent an increase for Place services. There will be instances at peak times where some customers will be waiting longer than the peak average. There will also be instances where customers will not be waiting as long as the average.

5.4 As a result of transferring substantial additional telephony services and associated staff into the contact centre during 2014/15, it is not possible to produce accurate comparative historical data on call abandonment rates across all services. We estimate that call abandonment rates during 2014/15 and previous years were c19%, but may well have been higher if we include services not previously on our system, this is c27% in 2015/16 to date. This will include repeat callers. This will improve now that our customer services temporary staff have been recruited and as we implement more self-service options.

5.5 The telephone system that we will be replacing over the summer has contributed to some of these issues and we will see some improvements in performance and our ability to produce data once the new system is in place and embedded.

5.6 We are working to improve the customer experience with each service area. For example in Adult Social Care we are working together to focus on customers being given the right advice and appropriate signposting at the first point of contact, supported by Social Workers located in the contact centre to ensure adequate control measures. Early outcomes of this pilot are showing a significant reduction in wait time for a follow on in-depth assessment. If we can maintain and replicate this across other areas we will better manage service demand and improve the customer experience.

5.7 We are working to replace e mail requests with more structured forms through our MyAccount facility which will also enable customers to track progress of their request. As at 15 June we had 500 e mails to action, with the oldest only being a week old. This has significantly improved from the position in 2014.

5.8 Our complaint levels are equivalent to less than 1% of the contacts received. Complaint levels are not atypical of levels over the last few years in customer services. Of the complaints received that relate directly to customer services rather than another service area, the majority are about call wait times. However, customers are generally satisfied with the service they receive when they speak to an advisor.

6. Management of service performance

6.1 Delivery of the Customer Journey programme including an improved customer experience as cost effectively as possible is a top priority. The immediate management actions being taken to achieve this include:

- Regular monitoring of performance and improved staff performance management to maximise the efficiency and effectiveness of our contact centre.
- Recruitment - We have in place agency temporary staff members to pick up simple enquiries to deal with short term pressures. We have recruited to 10 vacant positions across a number of services, 2 of which are permanent and the remainder for 12 month contracts.

- Rotas have been changed to ensure staff are available to pick up telephone contacts during core working hours. Work is being prioritised differently to ensure that we are picking up more administrative type activity outside of core telephone hours wherever possible. This includes adjusting our opening hours from July so that we have more staff dealing with calls at the peak times when customers are phoning us.
- More reliable phone system - New telephone system by the end of the summer and improved queue messaging and management by the end of December
- Reviewing our queues - Where we have a web offer we are changing the messages on the telephony system to advise people that they are able to transact online or to provide useful information so that customers don't have to hold for extended periods. This includes simplifying where possible and ensuring that sensitive services such as registering a death are prioritised.
- A complete review of letters and communications that we send to customers, to improve these and in turn to reduce the number of telephone calls we are receiving as a result of letters that prompt contact because they require explanation.
- Proactive web and Twitter messaging has been used at times when we are extremely busy.

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Background papers

Customer Journey Vision and Strategy Finance and Corporate Services Scrutiny Board
(1) 13 January 2014 Cabinet Member (Strategic Finance and Resources) 20 January 2014