Worcestershire County Council

Malvern Hills District Council

Worcester City Council

Joint Customer Service Strategy

2013 to 2017

Final Draft bcon

Contents

Executive Summary

This strategy builds on and supersedes the “Joint Customer Strategy for all Local Authorities in Worcestershire” adopted in January 2011. It sets out how we anticipate our customer base will change over the next five years, how this and technological change will influence demand on our services and how we will respond. In particular it sets out how we will accelerate service redesign to meet customer expectations for self service and the need to shift service delivery to lower cost channels in the face of funding cuts.

The way in which customer demand presents has changed noticeably in recent years. This is driven relentlessly by increasing customer preference for electronic self-service and the rapid evolution of enabling technology such as smart phones. Demand for service delivery face to face and on the telephone has been diminishing as customers increasingly switch to self-service channels.

The concept of “single point of customer contact” will in future be limited to the provision of services in person (face to face). For other channels (telephony and on-line) the focus will be on developing a common point of presentation for customer contact (sometimes known as a “single window”) in which all points of customer access to services are presented in one place together, with physical delivery located seamlessly behind.

We need to continually promote our self-service solutions to our customers to encourage maximum uptake. Self service solutions need to be promoted as the first option for contact and this message needs to be reiterated in all other forms of communication. As the number of customers making contact by other channels diminishes active publication of these channels needs to be withdrawn to rationalise service access channels.

For face to face customer contacts the existing approach of shared customer service centres based in libraries will remain under the Worcestershire Hub brand. Greater joint working and interoperability with library staff as well as greater use of self-service kiosks will be necessary as reducing face to face demand makes dedicated customer service staff progressively less cost effective. This approach will continue to be underpinned by using self-service solutions to provide assisted customer service.

Delivery of improved customer self-service has seen some services transformed through fundamental redesign to on line delivery but change has not been evenly spread across all partner services and has not kept pace with changing customer demand and behaviour. The limited pace of change and variation in fundamental service redesign is due to a combination of this work being seen as “Hub led” by service managers who themselves are insufficiently focused on transformation of their services. Placing responsibility for implementing this strategy firmly with service managers will free WHSS staff to provide a more effective supporting role in particular championing the interests of customers

Achieving efficiencies requires continuing service redesign focusing on delivering intended outcomes and outputs with fewer resources. Service managers need to identify and remove processes which add no value, eliminate failure demand, make greater use of customer self-service and other process automation. Greater use must be made of generic and shared business processes and technologies which can be developed once then reused across partners and services.

Achievement of the objectives set out in this strategy will be measured against the following success criteria:

- Increased customer satisfaction with services and contact with services measured end-to-end
- Delivery of agreed customer outcomes reduced to lowest possible cost
- Cost of handling customer contacts to agreed standards reduced to lowest possible level
- Increase in fulfilment of expected outcomes at the first point of customer contact and following that single contact

Partners will use their individual management frameworks and structures to ensure implementation of and conformance with this strategy. Overall conformance with these requirements will be monitored on partners' behalf by a new Customer Service Board.

1 Introduction

1.1 Local councils provide a wide range of services to a large and diverse customer base. Providing these services is a major part of every councils business and represents much of its expenditure.

1.2 Customer expectations of services we provide are high and are rising even in the current climate of austerity in the public sector. Understanding and meeting customer needs and expectations is critical in ensuring we deliver effective and efficient services that make the most of our scarce resources. Our reputations also depend upon this.

1.3 The way in which our customers contact us and interact with us is changing rapidly driven by technological advancement. Growth in the availability and use of mobile devices in particular is reshaping service delivery across all sectors creating both high expectations of and opportunities for us. Our approach needs to position us to respond effectively to these expectations and maximise the benefits of these opportunities.

1.4 This strategy builds on and supersedes the “Joint Customer Strategy for all Local Authorities in Worcestershire” adopted in January 2011. It sets out how we anticipate our customer base will change over the next five years, how this and technological change will influence demand on our services and how we will respond. In particular it sets out how we will accelerate service redesign to meet customer expectations for self service.

1.5 It’s not about the Hub! With customer contact and interaction becoming increasing self-service based and ICT enabled the primary responsibility for meeting customer service expectations rests more clearly than ever with service managers. .

2 Progress since 2011

2.1 Since 2011 customer service development has been guided by the Joint Customer Strategy for Worcestershire, the Worcestershire Self Service Strategy and most recently the Customer Channel Access Plan. These documents have provided our response to meeting increasing customer demand for self service and the need to shift service delivery to lower cost channels in the face of funding cuts. The result has been a very substantial recent increase in the number of customers being able to satisfy their needs through a range of self-service options, including web based self-service which is the most flexible, accessible and lowest cost service channel.

2.2 Whilst the delivery of improved customer self-service has seen some services transformed through fundamental redesign to on line delivery, change has not been evenly spread across all partner services and has not kept pace with changing customer demand and behaviour. The limited pace of change and variation in fundamental service redesign is due to a combination of this work being seen as “Hub led” by service managers who themselves are insufficiently focused on transformation of their services.

2.3 Despite the significant recent growth in on line customer self-service, the majority of contacts are still by telephone. Joined up access to, and delivery of, customer service across the county under the common brand of the Worcestershire Hub was based on the concept of a “single point of contact” enabling a customer to access a range of county and district services in one telephone call or visit. This has succeeded in customers being able to access our services through shared customer service centres and streamlined telephony.

2.4 In developing this strategy it is now clearer than ever that almost all customer telephone contacts are in relation to a single issue and customers with more than one issue to resolve prefer to make individual contacts for each issue. This insight has enabled more effective use to be made of telephone technology and design of call routing. Progressive introduction of interactive customer telephony (IVR) and thematic telephone numbering has enabled customers to navigate their way easily and reliably to either fully automated self-service or a service adviser more comprehensively trained to deal with their enquiry. These developments have been dovetailed with the growth in our on-line services most of which are delivered directly from individual partner websites.

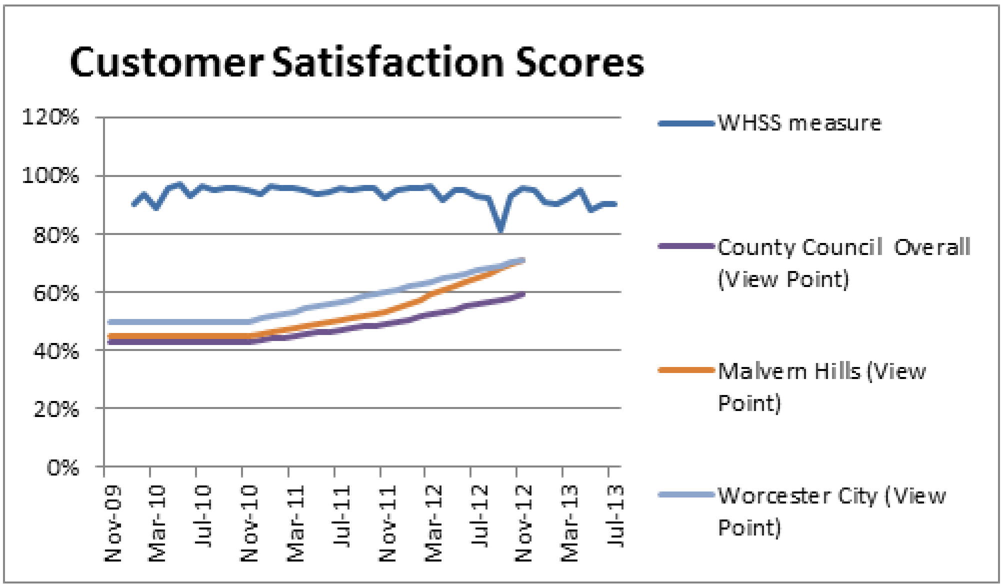
2.5 In 2013 South Worcestershire Revenues and Benefits Shared Service took back handling of all customer telephone contacts from the Perrywood customer contact centre. The service manager’s case for this change was based on both customer service and efficiency benefits. Importantly this was done seamlessly and invisibly from the customers’ perspective, retaining already well publicised telephone numbers. This move clearly demonstrated the obsolescence of the principle of “single point of contact”.

2.6 Most recently a dedicated fulfilment team has been established within the WHSS operations team to handle the increasing volume of fulfilment work arising from self-service requests and other services changes where these processes cannot be fully automated.

2.7 Our customers have clear and well established expectations of the services we provide to them. They expect services to be clearly and easily understood, consistent, reliable, timely, responsive to changing circumstances and answerable when things go wrong. Customer expectations remain high and on an upward trajectory despite current austerity.

2.8 Customer satisfaction as measured by WHSS has been generally high and consistent over the last three years. These measures have however been “shallow” and limited to customer contacts handled by WHSS. Satisfaction with overall services processes and outcomes are much more variable and often at significantly lower levels as shown by the Worcestershire Viewpoint Survey and illustrated in the graph below. These shallow customer satisfaction measures have also had the effect of insulating service areas from criticism of delivering poor customer service with “the Hub” taking the blame.

2.9



2.10 New measures introduced very recently now capture wider ‘end–t-end’ satisfaction. Initial results show rather lower overall satisfaction akin to the Viewpoint Survey results. These step by step measures now expose shortcomings in customer service by service units and as a consequence more clearly identify opportunities for improvement.

3 Customer Service principles

3.1 The 2011 Worcestershire joint strategy established five principles for partners to improve customer service:

* Providing customers with a single point of contact for council services (under the Worcestershire Hub brand)
* Designing services with the customer “at the heart” of service delivery

* Using technology to enable efficient and effective customer service
* Understanding customer requirements and needs in order to design services and enable improvements
* Provide value for money customer services

3.2 These principles were tested and validated with customers. Their application has led to redesign of services to reduce contact (especially avoidable contact) and increase use of self-service, as a means of satisfying rising demand within reducing resources. Customer response to these changes has been extremely positive and expectation of self-service facilities now exceeds our provision.

3.3 These principles have been reviewed and tested against current customer expectations and behaviour. Most obvious is that the long established model built around the concept of a single point of physical contact (telephony or in person) for customers is obsolete. The successful reversion of telephony to the Revenues and Benefits Shared Service and increasing self service delivery directly through back office applications demonstrate this.

3.4 The concept of "single point of customer contact" will in future be limited to the provision of services in person (face to face). For other channels (telephony and on-line) the focus will be on developing a common point of presentation for customer contact (sometimes known as a "single window") in which all points of customer access to services are presented in one place together, with physical delivery located seamlessly behind. This is already well illustrated by the use of IVR technology in routing telephone call from a single published number to multiple fulfilment points including automated self-service.

3.5 As we move from a "single point of contact" to a "common point of presentation" the Worcestershire Hub brand will become less relevant and thus limited to delivery of services in person through partners' joint customer service centres. IVR, web and other technologies will in future allow services to be presented under partners own brands and/ or service titles such as "highways" or "planning". This will improve clarity for customers.

3.6 In future the following revised principles will drive customer services:

* Designing services with the customer "at the heart" of service delivery
* Understanding customer requirements and needs in order to design services and enable improvement
* Using technology to enable efficient and effective customer service
* Providing customers with a common point of presentation for contact on the telephone and for self-service

* Providing customers with a single point of contact in person for council services under the Worcestershire Hub brand

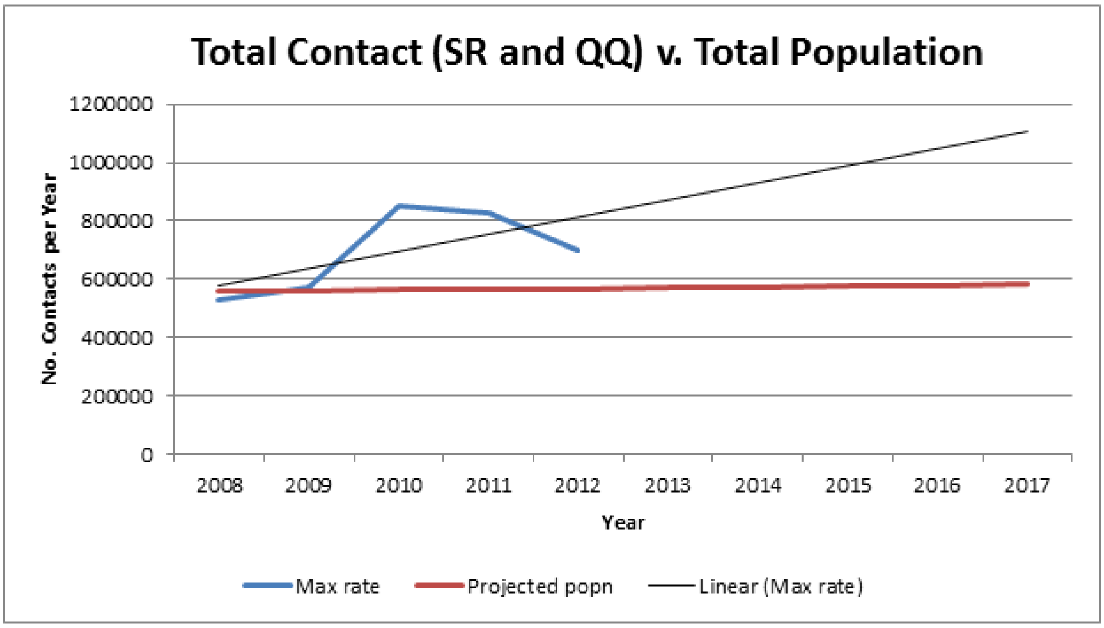
* Provide value for money customer services

4 Demand for customer service

4.1 Our previous customer strategy adopted in 2011 was evidence led and formulated on a wide range of data including that gained from customer consultation and feedback. We have continued this approach in developing this strategy, refreshing data and in particular examining the evidence of effects of changes introduced by the previous strategy.

4.2 The population of Worcestershire is forecast to increase by 2.8% over the next four years, creating 4.0% more households. Worcestershire has a higher proportion of older people than the average for England and this is expected to increase by 19% by 2017. The higher proportion of older people is especially notable within south Worcestershire.

4.3 Between 2008 and 2012 customer contacts have increased well in excess of the rate of population growth over the same period as shown in the graph below.



4.4 The increase in contacts has been due to two main factors - the effects of the recession and major national government led services changes such as renewal of travel passes. Over this same period resources available to partners to meet this demand fell significantly in real terms. This presented an on-going challenge in maintaining levels of customer service and satisfaction.

4.5 Analysis of customer contacts using ACORN categorisation confirms that compared to Worcestershire as a whole, a larger than expected proportion of customers are from hard pressed groups. In particular there are disproportionately more hard pressed people making contact in person through our customer service centres. By comparison there are smaller than expected number of contacts from customers in wealthy achiever groups and these contacts are also more likely to be on-line.

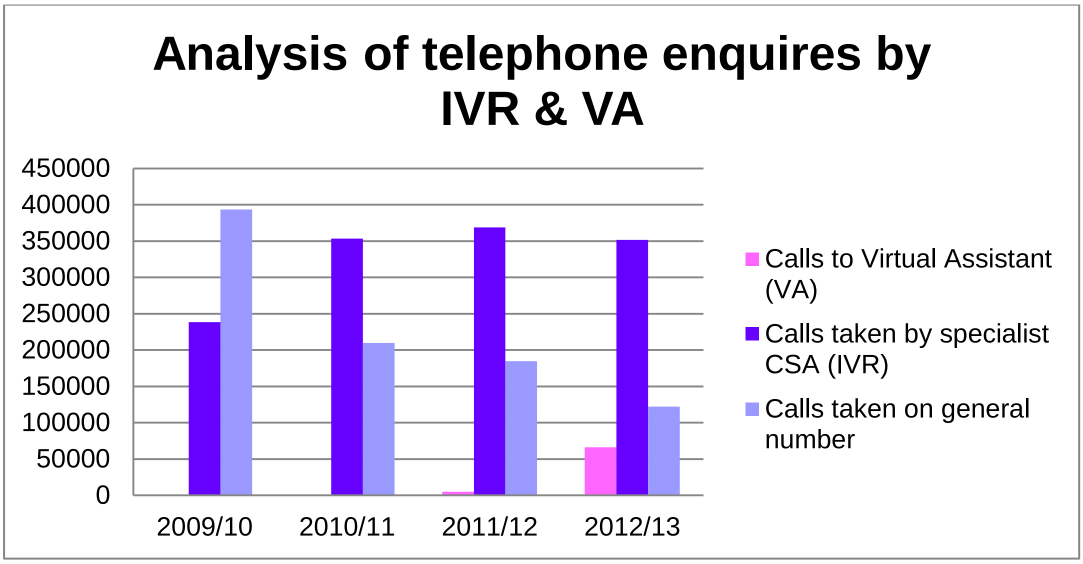
4.6 The extent to which demand is understood varies between services and partners. It is influenced by a range of factors including the nature of the service, the size of the service, the number of customer interactions with the service, the extent to which customer interactions form a fundamental part of service delivery and the way in which process design and technology enable both customer interactions and delivery itself.

4.7 Many services have a detailed and holistic understanding of the demand upon them. As different measures are used, this is often difficult to articulate at a corporate level and integrate with demand from other services to present a consolidated view of whole organisation demand. For example recent telephone contact data might suggest demand for library services is falling significantly and steadily providing an opportunity to reallocate resources. This data does not however capture the whole picture as it does not reflect demand being met by self-service solutions which is less easy to measure.

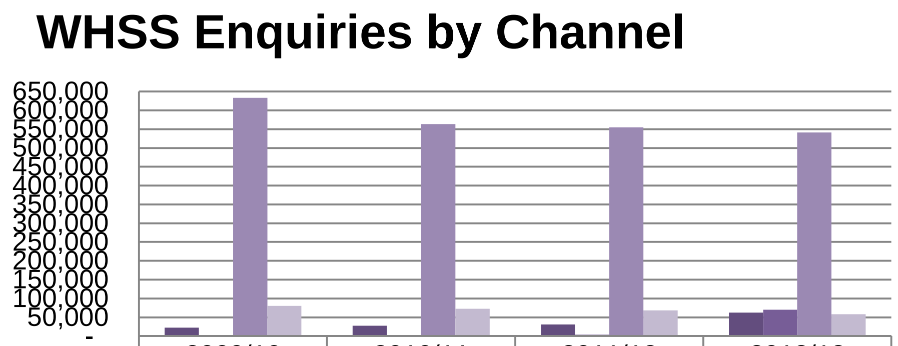
5 Demand presentation and the impact of technology

5.1 The way in which demand presents has changed noticeably in recent years. This is driven relentlessly by increasing customer preference for electronic self-service and the rapid evolution of enabling technology such as smart phones.

5.2 Our previous strategy responded to this by encouraging redesign of service processes for web based self-service and to increase the proportion of contacts handled by automated telephony (IVR and virtual assistant) as an alternative to assisted contact, especially by generalist customer service advisers. Over the last three years services redesigned in this way have seen a downward trend in the number of assisted telephony contacts handled by generalist customer service advisers and a commensurate increase in calls handled by virtual assistant technology or specialist customer service advisers. This is illustrated by the graph below.

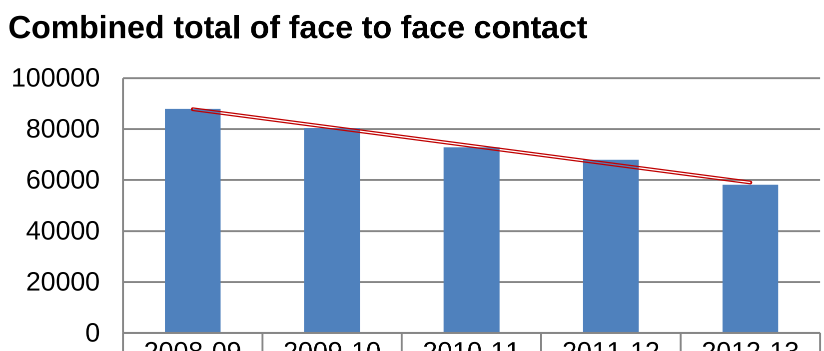

Analysis of telephone enquires by IVR & VA
450000
400000
350000
300000
250000
200000
150000
100000
50000
0
2009/10
2010/11
2011/12
2012/13
Calls to Virtual Assistant (VA)
Calls taken by specialist CSA (IVR)
Calls taken on general number

5.3 Though telephone remains the most popular means of making contact the number of telephone calls is reducing year on year both for district and county services. This is in contrast to self-service contacts on line and by automated telephony which have increased significantly since 2010/11, now accounting for 30%. An analysis of contacts by channel over the last four years is shown in the graph below.



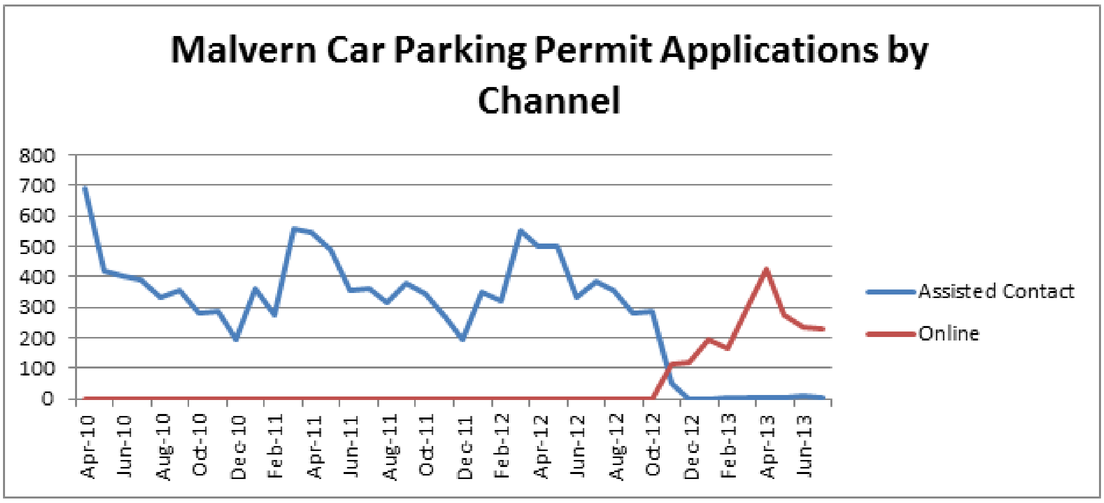
	2009/10	2010/11	2011/12	2012/13
Web Transactions	22,071	27,627	30,902	62,339
Virtual Assistant Calls Handled	-	-	3,955	70,091
Calls offered to CSAs	633,063	563,718	554,626	540,937
Face to Face Visits	80,426	72,791	67,993	58,204

5.4 The proportion of customers contacting us in person (face to face) has for many years been significantly less than that contacting us by telephone. Analysis of customer contact data by service and channel shows that contact in person continues to decline year on year as shown in the graph below.



	2008-09	2009-10	2010-11	2011-12	2012-13
Combined total of face to face contact	87864	80426	72791	67993	58204

5.5 The reduction in contact in person has been very noticeable for some services. For example following the introduction of an on-line self-service solution for car parking appeals, visits in person have almost completely ceased as shown in the graph below.

5.6 

5.7 This downward trend is expected to continue; however it is acknowledged that contact in person remains important for some hard pressed and vulnerable customers for specific services such as benefits.

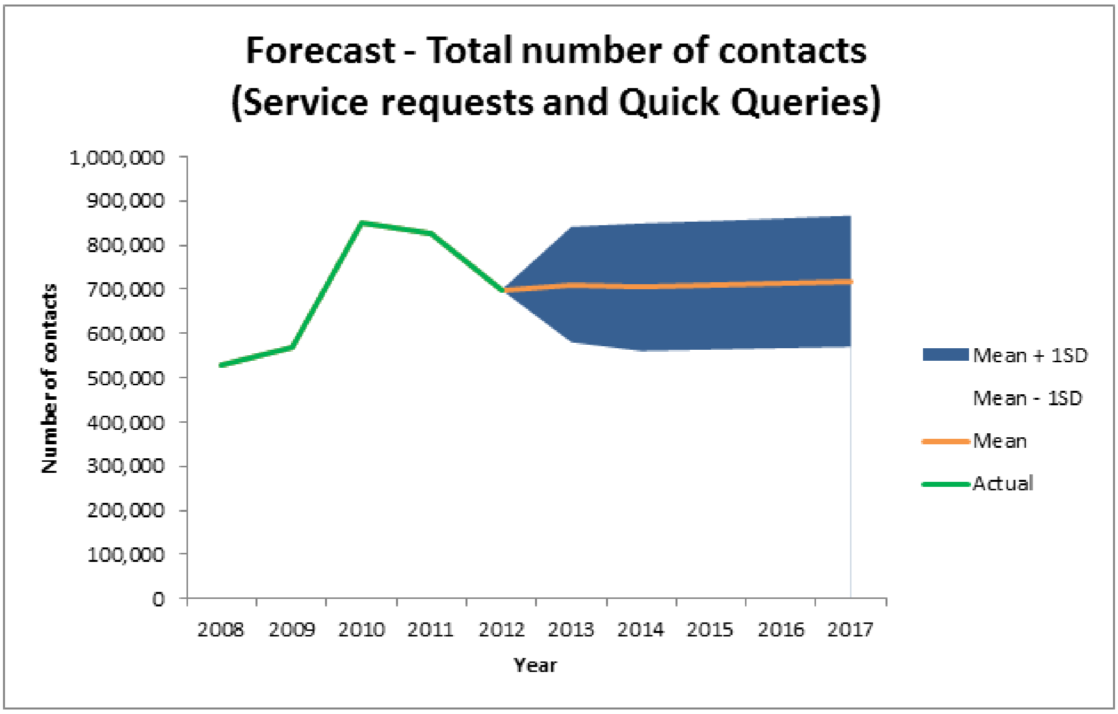
5.8 Contacts by e-mail are trivial in comparison to other channels. E-mail contacts are also costly to deal with because each requires individual evaluation and reponse by both customer services and service area staff. For these reasons e-mail will be replaced with transactional capability and smart forms on-line.

6 Projections for Future Demand

6.2 Effective service planning requires that partners understand future likely levels of contact that may be received, the services involved, the channels that customers are likely to use to make contact, and the types of customer that may use different channels.

6.3 Whilst improvements continue to be made in understanding customer need and demand, the level of understanding is significantly greater for contacts handled by WHSS. At present there is no comprehensive understanding of demand and contact end-to-end for all services. The projections for this strategy are therefore of necessity based on limited data.

6.4 Based on the overall trend in total numbers of recorded contacts between 2008 and 2012 the future number of contacts is considered likely to increase steadily and modestly over time. The level of confidence in this future projection is low because of historic volatility in total annual as shown in the graph below.

6.5 

6.6 Historic volatility has been caused by a number of factors including the recession following the financial crisis of 2007/8, national government led changes to national arrangements for travel pass renewals, etc. These factors are beyond the control of the partners, are difficult to plan for but require response. Volatility is expected in future as government austerity continues during the slow economic recovery and major national changes such as Universal Credit are implemented. Service redesign must take account of this to enable significant fluctuations in demand to be accommodated without commensurate changes in resources.

6.7 Demographic changes are not anticipated to be a significant driver for future increases in demand for services which we expect to remain linked to the wider economic factors and changes to services outlined above.

6.8 Demand for service delivery face to face and on the telephone has been diminishing as customers increasingly switch to self-service channels. This reduction is both as a proportion of total contacts and in absolute terms. A structured plan will be developed to manage the implications of this and ensure future sustainability of these channels for the small number of customers that will continue to require them.

7 Responding to future demand

7.1 Responding to the principles and challenges described in this document will be achieved through pursuit of the following strategic objectives:

7.1.1 Maximising customer access to services by providing the most appropriate channel for each service and in every possible instance by self-service access.

7.1.2 Providing customers with simple joined up points of service presentation and contact using business processes and ICT systems that provide customers with seamless and invisible fulfilment of service outcomes.

7.1.3 Delivering fulfilment of expected outcomes and handling customer contacts at the lowest possible end-to-end cost

7.1.4 Delivering fulfilment of expected outcomes wherever possible at the first point of customer contact and failing that, following that single contact

7.1.5 Transforming and rationalising business processes to maximise benefits of investment in improvement activities and underpinning business processes and ICT systems across all partners

7.1.6 Improving visibility of performance end-to-end (including feedback on progress and resolution of requests at various levels)

7.1.7 Focusing more clearly on our customer service principles, in particular our understanding of customer need.

7.2 These objectives provide partners with the best means of satisfying future customer demand against a backdrop of diminishing future resources and significant uncertainty.

7.3 Partners face continuing financial pressures and need to achieve both efficiencies and cost savings from service transformation (and in some instances service reductions). The nature and extent of these pressures are clear until the end of 2014/15 and expected to continue on a similar trajectory from 2015/16 following publication of the individual allocations from the current national government spending review.

7.4 Achieving efficiencies requires continuing service redesign focusing on delivering intended outcomes and outputs with fewer resources. Service managers need to identify and remove processes which add no value, eliminate failure demand, make greater use of customer self-service and other process automation.

7.5 Money to invest in service redesign and new technology will be increasingly scarce. Future investment will be business case driven and is likely to be secured only if forecast savings exceed planned investment. Greater use must therefore be made of generic and shared business processes and technologies which can be developed once then reused across partners and services.

7.6 Partners are increasingly commissioning services rather than providing them directly - not least as a means of responding to the financial pressures described above. Whilst commissioning provides an opportunity for redesign of service delivery that may not otherwise be available it creates the potential for compartmentalisation and risks drift from the principle of a common point of presentation for customer contact.

7.7 Partners need to ensure that their commissioning arrangements and practices are designed and implemented to secure conformance to this strategy.

7.8 Partners participate in a number of established shared services, including WHSS which delivers customer services.. The range and structure of shared services within Worcestershire is complex as shown in appendix 2. There is also a wide range of other joint working arrangements.

7.9 Many shared services and joint working arrangements rely on WHSS to deliver customer services functions on their behalf. Where these shared services involve non-WHSS partners it is important to ensure that their customer service requirements and ethos are effectively harmonised with this strategy. Similarly, where partner customer services functions are delivered by a non-WHSS organisation, partners must take steps to ensure that services are delivered consistent with this strategy.

7.10 National government remains committed to ensuring all public services are delivered electronically - “digital by default”. It is also committed to rationalising the number of government websites and enabling local electronic service delivery through national websites, most notably Gov.uk. This strategy echoes our established approach of making services available electronically and designing/ re-designing services to be “digital by default”. It will be aligned to partner ICT strategies to ensure a seamless, integrated approach where investment returns are maximised and duplication of effort avoided.

8 Strategy implementation

8.1 Achievement of the objectives set out in this strategy will be measured against the following success criteria:

8.1.1 Increased customer satisfaction with services and contact with services measured end-to-end

8.1.2 Delivery of agreed customer outcomes reduced to lowest possible cost

8.1.3 Cost of handling customer contacts to agreed standards reduced to lowest possible level

8.1.4 Increase in fulfilment of expected outcomes at the first point of customer contact and following that single contact

8.2 Partners will use their individual management frameworks and structures to ensure implementation of and conformance with this strategy.

8.3 Our previous strategy achieved progress but has been criticised for lack of pace and insufficient achievement of fundamental end-to-end change. This is attributed to it being seen as owned by WHSS rather than service managers and their teams. Delivery of this strategy will therefore be the primary responsibility of service managers, led by partner corporate management teams, cabinets and executives. Customer service will be embedded into the role of service managers and reflected in specific personal objectives.

8.4 For services common to more than one partner, service managers will be required to act in concert to maximise benefits and return on investment, especially for new self-service solutions.

8.5 Placing responsibility for implementing this strategy firmly with service managers will free WHSS staff to provide a more effective supporting role in particular championing the interests of customers.

8.6 There will be a particular need to involve ICT support services (WCC Systems and Customer Access and SWICT) where the delivery of business process change, in particular channel shifting to one line self-service, requires change to ICT infrastructure and systems. Close liaison will ensure established priorities of ICT support services continue to be progressed in concert with actions stemming from this strategy.

8.7 For face to face customer contacts the existing approach of shared customer service centres based in libraries remains consistent with this strategy and continues to be supported by available evidence. It is considered pragmatic to retain the Worcestershire Hub brand for these centres especially as the mix of services provided from some includes other public and third sector organisations. Greater joint working and interoperability with library staff as well as greater use of self-service kiosks will be necessary as reducing face to face demand makes dedicated customer service staff progressively less cost effective. This approach will continue to be underpinned by using self-service solutions to provide assisted customer service.

8.8 The anticipated continued decline in telephone contacts coupled with greater flexibility in handling of telephone calls will require a review of partner telephony infrastructure. This must ensure the simple, common presentation of telephony contact to customers whilst facilitating dispersed and flexible call handling. A clear plan will be developed to enable a managed reduction in centralised call handling with options for relocation from the Perrywood site when it becomes financially beneficial to do so.

8.9 New telephony infrastructure must provide seamless and reliable interoperability between individual partner telephony systems. It must also provide an improved level of management monitoring and reporting compared to the present.

8.10 With the major focus on improvement in on line self-service we will phase out the use of e-mail as a means of making contact. This is because it is the least efficient of any of the current contact channels and the least used.

8.11 We need to continually promote our self-service solutions to our customers to encourage maximum uptake. Self service solutions need to be promoted as the first option for contact and this message needs to be reiterated in all other forms of communication. As the number of customers making contact by other channels diminishes active publication of these channels needs to be withdrawn to rationalise service access channels.

8.12 Maintaining comprehensive oversight of performance will become technically more complex and managerially challenging as the focus moves from the front end of the delivery chain to closer examination of each link. Redesign of the partners monitoring and reporting arrangements forms one of the actions of this strategy. Central to this will we measurement and reporting of customer satisfaction end-to-end.

8.13 Overall conformance with these requirements will be monitored on partners' behalf by a new Customer Service Board which will replace the present WHSS Management Board. Where appropriate this board will work in conjunction with relevant non WHSS partners. The Board will report on progress implementing this strategy quarterly to the South Worcestershire Joint Committee and to each partner's Cabinet or Executive Committee.

8.14 A strategy action plan will define in detail the actions needed to implement this strategy and set out the timetable for delivery by service managers, including clear accountability. This will be reviewed and refreshed annually to ensure it is fit for purpose. This review will be undertaken by Customer Service Board which will also monitor progress and if necessary co-ordinate strategic actions by ICT support services. The initial strategy action plan is set out at appendix 1.

9 Strategy scope

9.1 This strategy covers all customer facing functions and services of Malvern Hills District Council, Worcester City Council and Worcestershire County Council. These are services or functions delivered directly to, or for the wider benefit of individuals, groups within the community or the wider public. This strategy applies irrespective of whether the services are delivered directly, in partnership or commissioned to external providers.

9.2 This strategy applies to services in their entirety. Customer service will be considered at every part of the delivery chain – known as “end to end” - from the first customer contact to final confirmation we have delivered the service. It applies even to those services where routine customer contact is not a pre-requisite part of the service delivery process such as routine street cleaning and grounds maintenance.

9.3 This strategy will also be applied to future development of the partners’ business processes and ICT systems.

9.4 WHSS provides customer contact handling services on behalf of a range of shared services which include councils outside this partnership. It also provides services to, or has joint working arrangements with organisations including non-partner Worcestershire Councils, NHS and Job Centre Plus. To ensure a consistent experience for partner customers, this strategy will apply to customer contacts handled under these arrangements unless specific alternatives are agreed with the organisations concerned.

10 Strategy period

10.1 This strategy covers the period September 2013 to June 2017. This period takes account of current partner financial planning horizons and requirements. It provides a realistic balance between the time needed to implement actions that will deliver the strategic objectives, the rate of change of customer demand and the rate of technological change in how customers access our services and we respond to them.

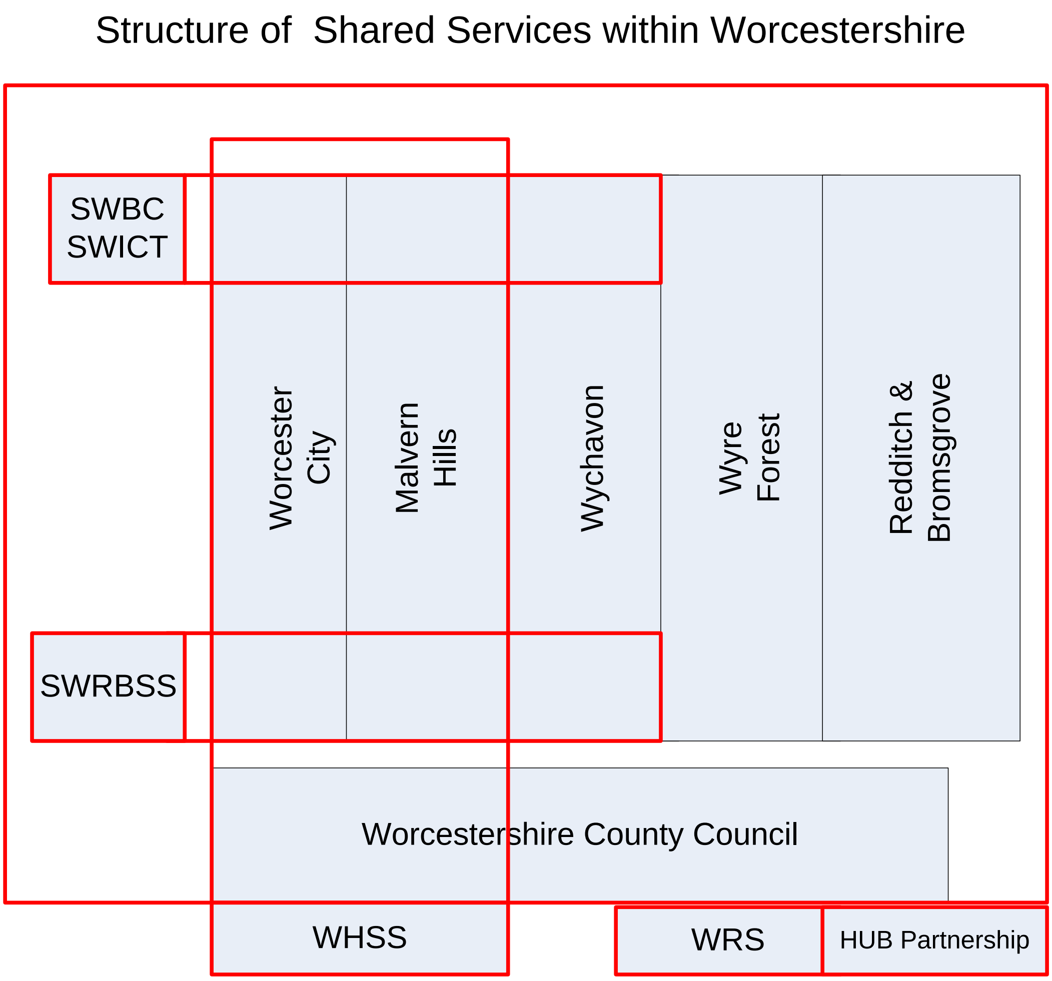
10.2 Partner service managers will be primarily responsible for implementing this strategy in relation to the services for which they are responsible. They will be expected to incorporate the requirements of this strategy and its action plan into their own service plans during the above period. The WHSS rolling 3 year business plan will also be aligned to this strategy.

11 Strategy review

11.1.1 This strategy will be reviewed annually by Customer Service Board to ensure it remains fit for purpose.

Appendix 1 – Strategy Action Plan

Appendix 2 – Shared Service arrangements in Worcestershire



Key

Hub Partnership	Worcestershire Hub Partnership
SWBC	South Worcestershire Building Control Shared Service
SWICT	South Worcestershire ICT Shared Service
SWRBSS	South Worcestershire Revenues and Benefits Shared Service
WHSS	Worcestershire Hub Shared Service
WRS	Worcestershire Regulatory Services