



<b>Subject:</b>	<b>Update on Customer Focus Programme</b>
<b>Date:</b>	18th February, 2022
<b>Reporting Officer:</b>	Ronan Cregan, Deputy Chief Executive, Director of Finance and Resources
<b>Contact Officer:</b>	Rose Crozier, Customer Focus Programme Director

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Sometime in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report/Summary of Main Issues</b>
1.1	Members are reminded that, in October 2021, the Committee was provided with updates on the Customer Focus Programme, which included updates on the new Customer Hub function which has been operational from 29th March 2021. The Committee was advised that an independent health check was being commissioned to review the operational set up of the Customer Hub and to assess future capacity needs.
1.2	This report provides the Committee with an update on: <ul style="list-style-type: none"><li>• the health check of the Customer Hub function.</li><li>• the approach to development of facilities for Elected Members</li><li>• the Customer Focus programme approach to onboarding services and phase 2 planning.</li></ul>

2.0	<b>Recommendations</b>
2.1	<p>The Committee is requested to note:</p> <ol style="list-style-type: none"> <li>1. the in-depth review of the Customer Hub operation and supporting infrastructure carried out by Navigation Partners in November 2021;</li> <li>2. the recommendations and planned improvements as set out in Appendices 1 and 2 to further optimise the Customer Hub operation including proposed measures and KPIs;</li> <li>3. the approach set out for transitioning and transformation of services and that further work is being undertaken to define how this approach may be implemented in line with the agreed approach to service design and in line with corporate priorities. This approach will inform the Phase 2 plan;</li> <li>4. the update on development of facilities for Elected Members.</li> </ol>
3.0	<b>Main Report</b>
3.1	<p><b>Summary of Recommendations and Findings from an Operational Review of the Customer Hub</b></p> <p>In March 2021, the Council launched a Customer Hub to manage customer communications and service requests. When the Customer Hub had been in operation for 6 months, Navigation Partners were appointed to complete an independent health check to assess how efficiently and effectively the Customer Hub is delivering this service. The objective of the work was to provide a review and subsequent report on where the operation is currently, where it should strive to be and to identify a blueprint for future onboarding of services.</p> <p>The review highlighted that the Customer Hub benefits from a strong committed team with a dedicated management team. Despite challenging delivery timescales during unprecedented times, the service was delivered to schedule. Initially following implementation there was some service disruption however, the experience delivered to customers is improving and the service has now stabilised. Prior to the Christmas period the average call wait time for November and December was 90 seconds and average call handling time for the same period was 1 minute 50 seconds. These are within industry best practice standards.</p> <p>The review identified a number of areas where there were quick wins to improve performance and areas where industry best practice could be employed. The review also recognised areas of good practice across the Customer Hubs technology and processes.</p> <p>As the Customer Hub enters the next phase of implementation and gets ready for growth, the quick wins identified focus on ensuring the Customer Hub's success as it grows and additional services are added.</p> <p>The Customer Focus Oversight Board and CMT considered the Navigation Partners report findings and agreed the recommendations. It was agreed that further discussion is required to refine the approach to transitioning and transformation of services in the context of service design and the corporate prioritisation process. Delivery of the improvements will be managed and monitored through the Customer Focus Delivery Board and Oversight Board.</p>
3.2	<p><b>Summary of Findings and Recommendations:</b></p> <p>In considering the review, Navigation Partners used industry benchmarks and averages to measure the current delivery of the Customer Hub.</p>

The review report acknowledges the achievements to date in establishing the Customer Hub within the agreed time scale and given the challenging environment created by Covid 19.

The review and the recommendations focus on delivering a balance of customer service while retaining a focus on value for money. Recommendations consider the aspirations for Customer Hub growth and the actions needed to support that. The review considers recommendations in each of the following areas:

- Interactive Voice Response (IVR) – This is the call menu that is heard when contacting the Customer Hub – this report suggests changes and improvements that could be made to the IVR to improve its efficiency
- Operations – Changes to the Customer Hub operation that could increase efficiency for the Customer Hub Assistants
- Performance – Tools and measures to prepare the Customer Hub to manage resource requirements against future demand as that demand grows. Currently, there are no formalised operational performance measures in the Customer Hub. The aim is to have standard measures as used in other customer service environments. The reporting will assess the overall service delivered within the Customer Hub function and will aim to drive improved customer services by focussing on staff development and training requirements
- Measures and Key Performance Indicators – reporting that would benefit the Customer Hub’s operation
- Process and prioritising change – how the base data collected within the Customer Hub can be used to quantify and make a case for future process improvements (service design)
- Onboarding process – a repeatable on-boarding process that ensures that all aspects of onboarding a new service are understood and delivered with minimal disruption including staffing requirements.

**Appendix 1** sets out the recommendations for improvements in each of these areas.

**Appendix 2** provides a high-level plan for implementing the report recommendations which will be overseen by the Customer Focus Delivery Board and Customer Focus Oversight Board. It is proposed that the majority of actions to optimise the Customer Hub operation will be completed by end of March, 2022.

### **Performance Tools**

3.2.1

As the Customer Hub grows and inbound demand increases (higher volumes of calls, emails, online forms and in the future face-to-face visits), a greater focus must be placed on demand volumes and arrival patterns.

- The use of forecasting and workforce management processes would aid the Customer Hub management in understanding and matching demand with resources required. This is particularly important as the Customer Hub takes on further services. Workforce management (WFM), otherwise known as scheduling tools, utilise all processes that are undertaken to ensure the right number of staff are available at the right time on the right contact channel – phone, email or webforms.
- This tool will be used on a day-to-day basis to ensure staff are allocated effectively to meet demand across customer channels and applied when assessing staffing levels and any revisions to the staffing model as part of the onboarding process.

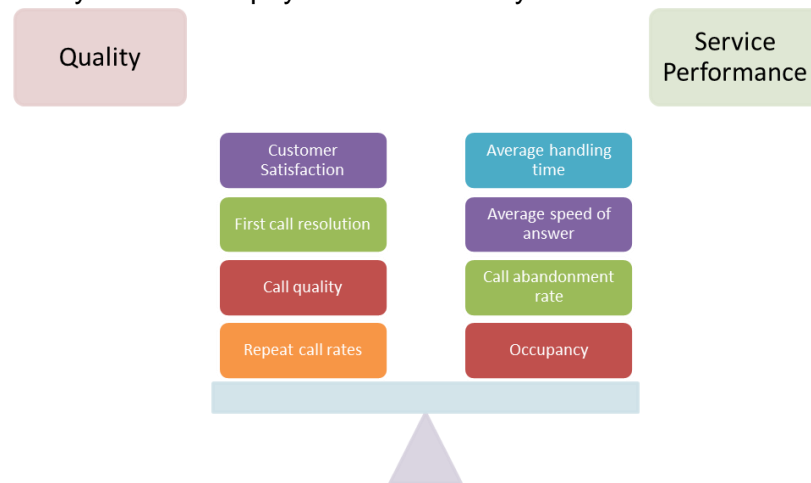
There are two ways this can be addressed:

- The current Mitel licence includes workforce management and scheduling so this could be utilised. Some work would be required to implement this
- An Erlang model is the most widely used tool across the industry to deliver resource planning and can provide an initial view of the demand. Erlang provides a mathematical formula that would allow the Customer Hub Co-ordinators to calculate the number of staff needed for a given number of calls and to achieve required service levels. Using such tools allows the development of Measures, that become the operational reporting that is done by Customer Hub Management and provides the data to assist in the day-to-day management of Hub activity.

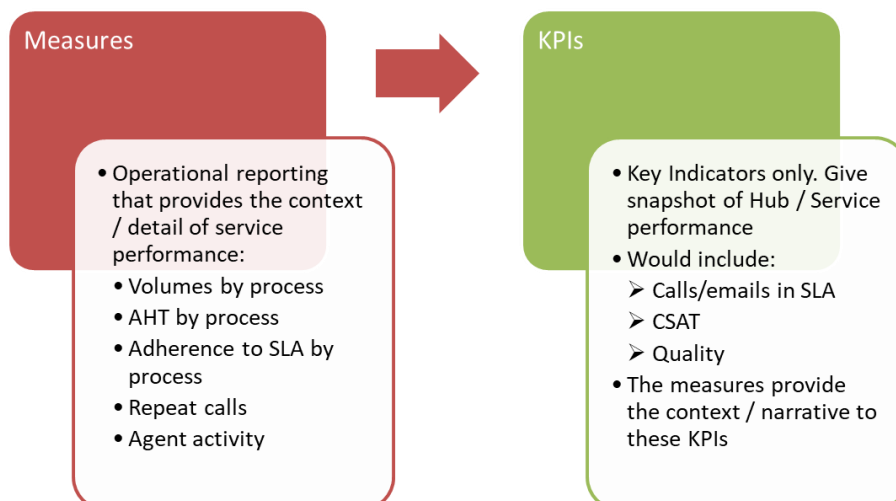
### KPIs and Measures

3.2.2

It is common to focus on performance metrics, however, to get the best service and value for money it is important to gain the right balance of quality and performance measures. Too much focus on performance could impact the customer service delivered and too much weighting on quality could be costly with limited pay back in efficiency.



KPIs are the performance indicators that give a snapshot of overall Customer Hub performance and have specific targets. As many of these are new targets and not currently measured, a target should be set to enable reporting to commence, be refined and any immediate improvement actions be taken. The split of measures and KPIs is shown in the diagram overleaf



The proposed measures and KPIs for Customer Hub are summarised at **Appendix 3**.

### **Prioritising Change**

3.2.3

The Customer Hub has been implemented as one element of a wider focus on Service transformation. The Customer Hub and the infrastructure implemented within it will act as a facilitator for this transformation. In particular, the metrics which are produced relating to process and service performance enable future process changes to be identified, quantified and delivered.

The current planned Service improvements and changes identified as part of future Service design activity will require prioritisation as resources are limited and the Council will be looking to achieve the best value for the investment made.

The metrics available once a Service has transitioned to the Customer Hub will enable the benefits to be quantified which gives a number of advantages:

- It enables the benefit of making process improvements to be quantified and prioritised – where do you focus resources?
- It enables benefits to be quantified and measured – so benefits realisation can be evidenced
- It avoids people reacting to problems and focusing resources on knee jerk requirements
- Improvements/development could be prioritised based on their impact on; customers/quality and efficiency (FTE/Cost)

In summary this enables changes to be measured against three areas:



- This could be resource savings or ability to achieve more
- AHT savings x volume show the physical time saving
  - Reduced transaction volume (avoided work)
  - Reduced repeat contact



- Improvement in customer perception
- Measured and evidenced through CSAT
  - Improved quality scores
  - Reduced complaints



The change driven by legislation

3.2.4

### **Onboarding Process and Planning of Phase 2**

This initial phase of the Customer Hub has delivered the infrastructure and processes to enable the Hub to meet the needs of more than the initial areas included in scope. The infrastructure and processes provide the capability to onboard additional services. In planning for future phases and new service on-boarding there is an opportunity to create a repeatable process that can be used to ensure that all areas are considered in any future service on-boarding.

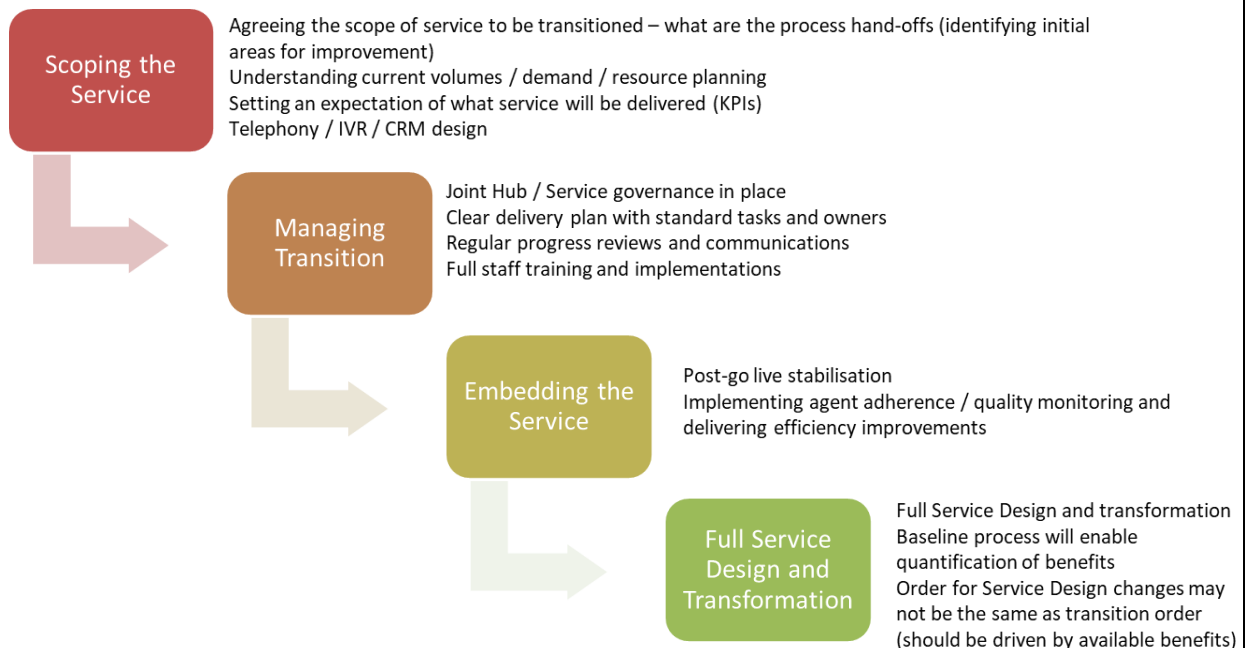
The growth of the Customer Hub and the upcoming service design/transformations need to be considered in line to ensure that resources are employed most effectively.

To enable successful growth of the Customer Hub, whilst ensuring that there is minimum impact on business-as-usual operations the following phased approach is proposed. The phased

approach enables up front work to be completed to understand the scope of the change and the impacts across the organisation. Full-service Design follows at a later stage when the performance data has been captured and potential savings areas can be quantified.

The approach to on boarding services as outlined below will be progressed as a pilot with the onboarding of Building Control. The plans for Phase 2 of the Customer Focus Programme are currently being formed with a key dependency being the award of contract for a new Building Control IT system which it is envisaged will be awarded by end of March 2022.

### 3.2.5 Service Onboarding Approach



The activities required during each phase are detailed in **Appendix 4**. The benefit of this approach is that it ensures that the roll out of the Customer Hub can continue, and the benefits of transitioning new service areas into the Customer Hub be realised. Transitioning the services into the Customer Hub will allow the capture of additional baseline performance data on the processes which will support the service design activity. Where the full Service Design activity can also be prioritised and effort focused where the most benefits can be achieved.

### 3.2.6 Onboarding / Transition Vs Transformation (Full Service design)

There are dependencies between the process improvements identified in transition, the full-service design activity required in transformation with the corporate change programme and clear alignment is required with key enablers. e.g. Digital Services and Digital Delivery.

Transition refers to the definition and transition of a new Service into the Hub. It does not require a full-Service design

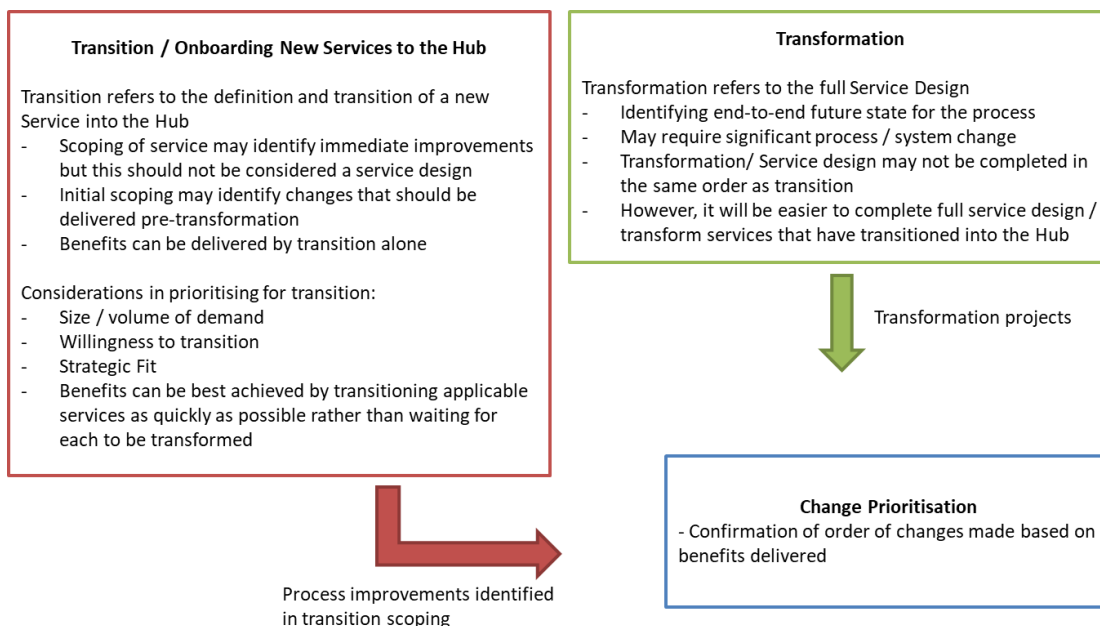
- Scoping of service may identify immediate improvements that can be delivered, such as automation of online forms
- Initial scoping may identify changes that should be delivered pre-transformation
- Benefits can be delivered by transition alone and so Service transition to the Customer Hub should be de-coupled from transformation

Transformation refers to the full-Service design process

- Identifying end-to-end future state for the process
- May require significant process / system change
- Transformation/ Service design may not be completed in the same order as transition
- However, it will be easier to complete full-Service design / transform services that have transitioned into the Hub.

It is important to note that we have an agreed short term corporate change strategy where structural stabilisation is critical in areas being prioritised, with some resource focussed on full transformational service design. As we complete the urgent structural stabilisation more resource can be deployed on transformational service design. This will be governed through the Corporate Change Board.

It is recognised that both transition and full-Service design will identify initiatives that require allocation of limited resources (i.e. Digital, Continuous Improvement and HR teams). The readiness of the service itself needs to be considered as part of prioritisation, this includes having departmental subject matter experts available to contribute to design and management capacity to own delivery of change. Additionally, both transition and service design **may** result in potential changes to existing staffing structure. Any potential changes will be managed in line with CI and HR processes as part of the IR framework. As a result, there is a requirement to feed both needs into a corporate prioritisation process as outlined in the diagram below:



### 3.3

#### **Approach to further Development of Facilities for Members**

Work to date has involved working with the Elected Members Task and Finish Working Group to develop a future blueprint attached at **Appendix 5**. The first Phase of delivering the blueprint has delivered several contact channels for members and a members' app which had its second software release in July 2021 to include additional features identified by members.

The next stage of development agreed with the Task and Finish Group will focus on information requirements. We will work with the Task and Finish group to understand what information

	<p>members need at their fingertips to help in day-to-day work with constituents. The Task and Finish group have highlighted:</p> <ul style="list-style-type: none"> <li>• Council Services and key people responsible for them</li> <li>• Information regarding other relevant agencies, their responsibilities, and their contact details.</li> </ul> <p>It is further proposed that we conduct a survey of Members to gather information requirements and feedback on use of the members' app with a view to identifying enhancements to the app and options to improve mobile access to information.</p>
	<b><u>Financial and Resource Implications</u></b>
3.4	The Committee agreed, in November 2017, that a budget of £500k be set aside for the customer focus project. Resource requirements for operation of the Customer Hub are provided for within existing Budgets.
	<b><u>Equality or Good Relations Implications/ Rural Needs Assessment</u></b>
3.5	No implications
<b>4.0</b>	<b>Documents Attached</b>
	<p>Appendix 1 - Summary of Review Findings and Recommendations</p> <p>Appendix 2 - Plan for Implementation of Review Findings</p> <p>Appendix 3 - Measures and KPIs for Customer Hub</p> <p>Appendix 4 - Definition of Onboarding Activities</p> <p>Appendix 5 - Elected Members Future Blueprint</p>