SCRUTINY COMMISSION – 12 MARCH 2015

CHANNEL SHIFT PROJECT UPDATE
REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

WARDS AFFECTED: ALL WARDS

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1.   PURPOSE OF REPORT

1.1   The purpose of this report is to update members of progress to date in regard to the council's Channel Shift project.

2.   RECOMMENDATION

2.1   That members of the committee note the work achieved to date.

3.   BACKGROUND TO THE REPORT

      Channel Strategy

3.1   The Channel Strategy was approved by the Strategic Leadership and Corporate Operation Board in February 2014 and is attached at Appendix A. The strategy sets out the Council's plans in regard to what channels it will use to deliver its services and how it will interact with its customers in the future.

3.2   The strategy sets out how current Council services will be redesigned around four key principles, this being:

      • Avoidable contact – to ensure right first time
      • Digital inclusion –targeting hard to reach groups and those likely to have the greatest needs for our services
      • Accessibility of contact – enhancing service provision so that customers facing barriers can access services via electronic means i.e. if facing difficulty over the phone, preferred method is via email
      • Channel shift – to provide the public with greater access to services 24/7 by utilising modern technology i.e. the internet as opposed to face to face and over the telephone

      Channel shift, known as digital by default, sets out how the council encourages customers to move towards accessing services online, as their first channel of choice, and is the main focus for this report. In terms of the broader channel strategy it is acknowledged that an online service is not a panacea for all of the council's customers as some customers will need support either face to face or over the phones, particularly if they are vulnerable. Work carried out in regards to other areas of the strategy, such as digital inclusion which focuses upon vulnerable customers will be reported separately.

      Channel Shift Project

3.3   A project group was established in February 2014. The remit of the group was to refresh the web strategy and to review the current systems and processes used by the Customer Services Team. A fundamental weakness of the existing customer services platform is that services and systems are built around the CRM system (customer relationship management). Customer advisers follow scripts and input

forms that need constant updating. Running alongside this, customers use different web based form forms via the internet which are not integrated with back office systems. This causes duplication of processes and a lack of joined up systems. Furthermore, the current CRM system is outdated, costly and unsupported.

Four main areas were identified in order to deliver a transition to online services.

1) Enabling technology	2) Process and services
3) The Website	4) Assisted customer services

3.4   Enabling technology

The group was tasked to implement new technologies to enable channel shift to take place. The current Customer Services infrastructure includes: website, e-forms, CRM, email and telephone. This needs to be replaced, merged and integrated to provide greater visibility for customers. In order for this to be realised, the first step involved is to procure a system that will effectively 'wrap around' current back office systems and provide a link to customer services via the website.

A business case was produced and signed off in May 2014. As part of the Business Case an options appraisal was carried out to identify the most cost effective and appropriate technology moving forward. The option preferred by the group was to replace the CRM system with a new web based customer service portal using the concept of 'MyAccount' and engage a MyAccount Partner. The table below shows the expected savings of £222,150 based upon a 10% channel shift over a five year period.

10% Channel Shift - Timing						
Savings		**Yr1**	**Yr2**	**Yr3**	**Yr4**	**Yr5**
10% CRM-Web Shift			8800	8800	8800	8800
10% Face to Face Shift					19202.0	19202.0
10% Back Office Shift			18,714	37,427	37,427	37,427
10% Email Shift			4388.0	4388.0	4388.0	4388.0
			31901.5	**50615**	**69817**	**69817**

3.5   Concept of My Account

MyAccount is based upon a vision to deliver online services and the channel shift of the council's customers through the concept, digital by default. Implementing this solution can be achieved via procurement of online enabling technologies and the integration with current third party applications such as: Planning Portal, Capita Connect, Orchard housing system and the development of e-forms. The ultimate vision is for Customer Services staff to deliver a telephony service using the same MyAccount interface that the customer will see online. The MyAccount solution needs to be procured and developed, however in order to pursue this option, external funding is required.

For example, at present, a customer would telephone the Contact Centre to report a missed bin. The Customer Services Adviser would then input the details into the CRM system which then integrates to the back office Uniform system. The Streetscene staff would then pick up the request via the Uniform system. The idea of developing the MyAccount portal is so that the customer could report the missed bin details directly through the portal, via the internet without the need to telephone the contact centre. This effectively cuts out the middle process and also releases the customer services adviser's time to deal with more complex enquiries.

3.6   Transformational Challenge Award

In May 2014 the Council led a joint bid to secure external funding via the Government's Transformation Challenge Award (TCA). The Council submitted a joint bid equating to £694,000 on behalf of its ICT shared service partners, Oadby and Wigston BC, Blaby DC and Melton BC. The bid covered three projects; two of which are technical in nature - including implementing a new data centre across all four councils and Citrix implementation for Melton BC. By delivering the first two projects, this will provide a platform to deliver channel shift, with the third project being the development of e-services and MyAccount solution. The bid was successfully secured in December 2014 with the funding to be made available from April 2015.

3.7   Governance arrangements

The timescales for the TCA program are limited given that the funding needs to be utilised by March 2016. A governance structure is currently drafted which proposes a program board representative of all four authorities. This will be signed off by end of March to ensure implementation of the project.

In terms of governance arrangements for HBBC, the project sponsor is Julie Kenny and Project Manager, Julie Stay. The team will consist of ICT lead, Paul Langham, Web Development Support, Customer Services Manager, a nominated finance lead and service managers' representative from each service.

5.   FINANCIAL IMPLICATIONS [KP]

5.1   As outlined in 3.6, the Council has been awarded £694,000 in Transformational Challenge Funded to finance the cost of implementing Channel Shift initiatives for this Council and other members of the ICT Partnership. The accountancy treatment of this funding will differ depending on the element that will be spent by the Council as the principle or the agent (i.e. for others) of the funds. The phasing of when the funding is to be received and spent is yet to be confirmed.

5.2   The savings that are predicted for this Council over the first 5 years of operation are outlined in section 3.4 and are estimated to be £222,150 based upon a 10% shift. These savings have been built into the abbreviated MTFS which will be presented to Council in March 2015.

6.   LEGAL IMPLICATIONS [EH]

6.1   There are potential accessibility issues and Equalities issues arising out of a move to digitization by default. The Equality Act 2010 required that the council must have regard to the need to eliminate discrimination, to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and to foster good relations between persons who share a relevant characteristic and persons who do not share it.

6.2   The relevant legal agreements arising from the progression of channel shift initiatives will be reviewed by legal services as and when needed.

7.   CORPORATE PLAN IMPLICATIONS

This project support the council's aims: Supporting Individuals and Providing Value for Money.

8.   CONSULTATION

Customer surveys were carried out in 2013 and 2014.

9.   RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
The risks are identified within the business case and PID	As set out within the business case and PID	Julie Kenny

10.   **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

In order to understand the impact of the changes, a further impact assessment will be considered at a local level and will be undertaken as part of the implementation process.

11.   **CORPORATE IMPLICATIONS**

11.1   By submitting this report, the report author has taken the following into account:

-   Community Safety implications
-   Environmental implications
-   ICT implications
-   Asset Management implications
-   Human Resources implications
-   Planning Implications
-   Voluntary Sector

Background papers: None

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