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## Report of the Assistant Chief Executive (Planning, Policy and Improvement)

To: Executive Board

Date: 14 January 2009

Subject: Design & Cost Report – Phase 2 of the Customer Relations Transformation Programme

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<p><b>Electoral Wards Affected:</b></p>          <input type="checkbox"/> Ward Members consulted (referred to in report)	<p><b>Specific Implications For:</b></p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input type="checkbox"/></p>
<p>Eligible for Call In <input checked="" type="checkbox"/></p>	<p>Not Eligible for Call In (Details contained in the report) <input type="checkbox"/></p>

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### EXECUTIVE SUMMARY

The Customer Strategy (2005-2008) set out the Council's aspirations with regard improving our customer relations activities. This included capital investment in phase one of the customer relations transformation programme which included the development of the Corporate Contact Centre at Westgate and the further development of One Stop Centres. Whilst much has been achieved in regard to improving our customer focus and customer relations activities to date, further developments (phase 2) are still being progressed in order to achieve our overall ambitions.

In December 2008, Executive Board received a report outlining an overarching 'vision' paper describing the Council's Business Transformation aspirations. This report supplements that report and provides details of the 'Design and Cost' elements of the customer relations aspects of the programme, in order to achieve our wider ambitions for customer services as described in the Council Business Plan.

The customer relations transformation programme (phase 2) will deliver a further set of projects which will further transform our customer services activities. The programme will further develop and enhance the corporate contact centre, substantially increasing the extent to which it can be used for the purposes of Leeds City Council, ensure that more customers use it and, improving the quality of the services it provides.

Executive Board are requested to approve the recommendations summarised in Section 7.0 of this report.

## **1.0 Purpose of this Report**

1.1 The purpose of this report is to:

- approve the release of £903.1k (over a two year period) from the Business Transformation allocation of the Strategic Development Fund for the further development of our customer services transformation programme, and;
- obtain authority to incur expenditure on implementing the projects which form phase 2 of the customer services transformation programme.

## **2.0 Background Information**

2.1 The customer services transformation programme (phase 2) aims to further transform the way services are delivered by the Council's corporate contact centre and one stop centres. It builds upon work progressed during 2005 to 2008 (phase 1) which saw the development of the new Contact Centre at Westgate and major improvements in service delivery through identifying weaknesses in processes; implementing new and revised working practices; better aligning roles and responsibilities; and, introducing career structures with recognisable opportunities and succession planning. The overall objective being to improve the quality, efficiency and effectiveness of service delivery, increase customer satisfaction and use performance information to drive service improvement.

2.2 The intention of phase 2 of the programme is to ensure that customers receive excellent services which are efficient and effective and meet their needs to support delivery of the improvement priorities identified in the new Council Business Plan.

## **3.0 Programme Description**

3.1 The programme will help further transform the way in which we deliver customer services, ensuring that customers receive excellent services which are efficient and effective and meet their needs. It will re-engineer business processes around the needs of customers to improve the quality of service delivery and, develop all contact channels to enable greater resolution of service requests at first point of contact.

3.2 The programme will also support delivery of one of the key outcomes in Council Business Plan 2008-2011 namely, that we are an intelligent organisation, using good quality information to deliver better outcomes.

3.3 Achievement of the programme objectives, within planned costs and timescales, is dependent upon the appropriate resources being allocated to the programme. A dedicated programme team has been in place to support delivery of phase 1 of the programme and specific individuals have been exclusively assigned/recruited to this team, on a full time basis, for the duration of the programme. The skill sets and numbers required to deliver the aims of the programme have been identified and, as well as technical knowledge and ability, it is necessary for people working on the programme to have the relevant experience and personal attributes to work as part of a team. The core of this team will also progress phase 2 of the customer services transformation programme.

3.4 It is also necessary to utilise skilled resources from a variety of service areas in the council, at different stages throughout the programme. In addition, external contractors may be required where suitable internal people are not available, to undertake specialist tasks or provide expert knowledge on business process re-engineering, workforce management and any new technologies and solutions to be implemented.

3.5 Capital funding was made available for phase 1 of the programme during 2005/6 to 2007/8 and with further improvement activity (phase 2) planned for 2008/9 and 2009/10, further capital funding is required to support the next phase of development activity.

- 3.6 Overall, the customer services transformation programme will help deliver the following business improvement priorities in the Council Business Plan:
- improve our understanding of our customers;
  - increase choice so customers can access services in more convenient ways;
  - improve our services based on customer feedback;
  - manage customer expectations and deliver on our promises;
  - develop joined-up and person-centered services designed around the needs of our customers, and;
  - enhance the links between front and back office services to deliver excellent end-to-end services.
- 3.7 The programme will also assist in the delivery of the following Customer Services Service Plan outcomes:
- we will have improved our systems and processes to enable us to use our information effectively and efficiently;
  - the provision of choice will have increased;
  - our services will have improved based on customer feedback and meet their needs;
  - the efficiency and quality of our services will have improved;
  - we will have challenged our role as a provider of service to ensure delivery of value for money and/or better outcomes;
  - our strategic business transformation/improvement activity will be prioritised and co-ordinated, and;
  - our service improvement capacity will be enhanced to support business change at directorate/service level.
- 3.8 Specific objectives which the programme will help deliver are:
- increased range of services available in One Stop Centres;
  - 80% of customers who contact Leeds City Council via Customer Services are satisfied with the service provided;
  - access to principal council services, provided by the corporate contact centre is available outside normal 9-5 working hours;
  - 85% of public telephone calls to the Council are handled by the Corporate Contact Centre;
  - 80% of enquiries handled by Customer Services are resolved at the first point of contact;
  - 100% of letters from the public to Customer Services are responded to within 10 working days;
  - 100% of e-mails from the public handled by Customer Services are responded to within 5 working days;
  - achievement of the planned efficiencies, qualitative benefits and financial savings of the Corporate Contact Centre, and;
  - implementation of the new telephone numbering strategy and launch of a range of new 'silver' telephone numbers for principal council services and, a 'golden' telephone number for customer enquiries.

- 3.9 The programme will interface with a range of other related improvement activity including the Tell Us Once project, NI14 Reducing Avoidable Contact, achievement of Level 4 of the Equality and Diversity Standard etc. It will interface with service area initiatives (Housing Solutions Programme), ICT projects (E-services Delivery, Universal Customer Master Index, etc) and other Customer Services projects (Joint Service Centres, e-mail handling, One Stop Centre review, staff survey action plan, etc).
- 3.10 Details of the projects which form the programme are contained in Appendix 1.
- 3.11 Details of the benefits are described in Appendix 2.

#### 4.0 Implications for Council Policy and Governance

- 4.1 The Business Transformation Board, chaired by the Assistant Chief Executive (Planning, Policy and Improvement), and supported by specific project boards will provide the governance to ensure that the benefits noted in Appendix 2 are tracked and delivered.

#### 5.0 Legal and Resource Implications

- 5.1 There are no legal implications.
- 5.2 Capital Funding and Cash Flow

The table below articulates the Authority to Spend against the customer services transformation programme:

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	821.0		192.0	629.0			
<b>SUB-TOTALS</b>	<b>821.0</b>	<b>0.0</b>	<b>192.0</b>	<b>629.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
CONTINGENCY (10%)	82.1	0.0	19.2	62.9	0.0	0.0	0.0
<b>TOTALS</b>	<b>903.1</b>	<b>0.0</b>	<b>211.2</b>	<b>691.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/09 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012 on £000's
Unsupported Borrowing	903.1		211.2	691.9	0.0	0.0	0.0
<b>Total Funding</b>	<b>903.1</b>	<b>0.0</b>	<b>211.2</b>	<b>691.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### 5.3 Revenue Effects

- 5.3.1 There are no anticipated additional revenue impacts arising from phase 2 of the customer services transformation programme. All revenue costs will be contained within the context of the current revenue budgets allocated to either customer services or services to be transitioned into customer services. All technology and infrastructure is in place at the Corporate Contact Centre to allow further services to be transitioned and transferred to Westgate.

### 5.4 Risk Assessments

- 5.4.1 As per the policy of the Council, a 10% contingency (£82.1K) on the capital allocation of £821K - making a total £903.1K has been included. In addition, rigorous programme and project management governance will be undertaken and the Business Transformation Board will be accountable for the tracking of the benefits identified.

## **6.0 Conclusions**

- 6.1 In order for the Council to deliver its stated Council Business Plan outcomes with regard to customer services, further capital investment is required in phase 2 of the customer relations transformation programme to complete the good work already progressed. Successful delivery of the programme will bring about significant change and benefits (see appendix 2), improve the quality, efficiency and effectiveness of service delivery and, increase customer satisfaction.

## **7.0 Recommendations**

- 7.1 Members of Executive Board are recommended to:
- 7.1.1 approve the release of £903.1k (over a two year period) from the Business Transformation allocation of the Strategic Development Fund for the further development of our customer services transformation programme, and;
- 7.1.2 obtain authority to incur expenditure on implementing the projects which form phase 2 of the customer services transformation programme.

### **Background Documents:**

1. Customer Strategy (2005-2008)
2. Council Business Plan (2008-2011)
3. Executive Board Report re Numbering Strategy and Golden Number (14 May 2008)

## Customer Services Transformation Programme (Phase 2)

### List of Projects

Project	Description
PEPU Project	Migration of PEPU telephone and e-mail enquiries to the Corporate Contact Centre.
East North East Homes Project	Transformation of handling telephone enquiries in the Corporate Contact Centre.
Contact Centre Change Project	Transformation of operational model and business processes to enable efficient handling of ALMO & golden number enquiries in the Corporate Contact Centre.
Extended Hours Project	Implementation of evening working in the Corporate Contact Centre.
Registrars Project	Transition of Registrars telephone and e-mail enquiries to the Corporate Contact Centre.
Education Leeds Project	Transition of Education Leeds general telephone enquiries to the Corporate Contact Centre.
Knowledge Base Project	Development and implementation of 'Team Knowledge' application throughout Contact Leeds.
Out of Hours Project	Review and transition of suitable emergency out of hours services into the Corporate Contact Centre.
Phone Book Project	Development and implementation of Novell eGuide application as the new internal telephone directory for the Council.
T&PHL Project	Transition of Taxi & Private Hire Licensing telephone and e-mail enquiries to the Corporate Contact Centre.
Parks & Countryside Project	Transition of parks and countryside telephone and e-mail enquiries to the Corporate Contact Centre.
Planning Project	Transition of some planning general telephone enquiries to the Corporate Contact Centre during evenings.
IVR Project	Development and implementation of interactive voice response technology in the Corporate Contact Centre.
Golden Number Project	Implementation of new telephone numbering strategy and launch and marketing of new silver and gold telephone numbers.

<b>Benefit Description</b>	<b>Current Position</b>
Greater ownership of problems and more queries being resolved at first point of contact.	60% resolved at FPOC
Improved staff satisfaction and retention, reduced recruitment and training costs.	72% staff satisfaction rating
Improved customer satisfaction with the services being delivered.	75% customer satisfaction rating
Improved end to end service delivery.	61% customer satisfaction rating
Greater utilisation of the Corporate Contact Centre.	90% utilisation
Easier access to services and less customer confusion.	61% customer satisfaction rating
Improved access to information and greater resolution of enquiries at first point of contact.	60% resolved at FPOC
Reduced work duplication and economies of scale, leading to reduced staffing costs.	No baseline data
Extended access to services and 24/7 service cover.	08:00 - 18:00 Mon - Fri
Improved call answer rates and efficiencies in handling customer contacts.	92%
Improved service quality, efficiency and effectiveness of service delivery and resolution of enquiries.	75% customer satisfaction rating
Reduced customer transaction costs and reduced accommodation costs.	No baseline data
Better management information and business intelligence to improve forecasting and resource planning.	No baseline data
Greater flexibility and improved ability to respond to changes in demand.	No baseline data
Improved front-to-back and back-to-front office communication.	59%
A consistent customer service experience across all contact channels.	61% customer satisfaction rating
Improved awareness of front line services across Leeds City Council.	59%
Improved reputation and public image of Leeds City Council locally, regionally and nationally.	Improving well
Reduced telephone call costs.	No baseline data
Achievement of Leeds City Council Business Plan outcomes.	No baseline data
Achievement of Contact Leeds Service Plan outcomes.	No baseline data
Improved management of customer expectations.	61% customer satisfaction rating
Assist the creation of a customer-focused culture throughout Leeds City Council.	70%
Improved measurement of service provision and service development decision making.	No baseline data