

MIDDLESBROUGH COUNCIL

EXECUTIVE REPORT

Customer Strategy

Executive Member for Finance and Governance

Executive Director of Commercial and Corporate Services

16 June 2015

PURPOSE OF THE REPORT

1. To propose a Customer Strategy for the Council and outline its planned introduction across the organisation.

SUMMARY OF RECOMMENDATIONS

2. That Executive approves the implementation of a new Customer Strategy across the Council, as outlined in this report.

IF THIS IS A KEY DECISION WHICH KEY DECISION TEST APPLIES?

3. It is over the financial threshold (£150,000)
It has a significant impact on 2 or more wards
Non Key

DECISION IMPLEMENTATION DEADLINE

4. For the purposes of the scrutiny call in procedure this report is

Non-urgent
Urgent report

If urgent please give full reasons

BACKGROUND AND EXTERNAL CONSULTATION

Background

5. Customer Excellence is a key design principle of the Council's Change Programme. The adoption of a forward-thinking and strategic approach to the customer will enable the Council to significantly improve the effectiveness of all services from a customer perspective, while also facilitating savings across the programme.

6. The Council appointed a dedicated Customer Lead for the Change Programme in February 2015 to work with all services to identify a strategic approach to customer excellence within the Council. This report sets out the findings from that work and a proposed strategy for the future.

Current position

7. Technology has undoubtedly changed consumer behaviour; customers already use the internet and mobile phones for almost everything from making enquiries, paying bills, browsing, purchasing and online streaming. Customers now have the same level of expectation when dealing with their local authority; interacting with the Council 24 hours a day, 7 days a week, 365 days a year, without having to wait for office opening hours, or travel into town.
8. The current delivery of Middlesbrough Council services is segmented; lacking in consistent customer focus and efficient service delivery. See *Figure 1*.

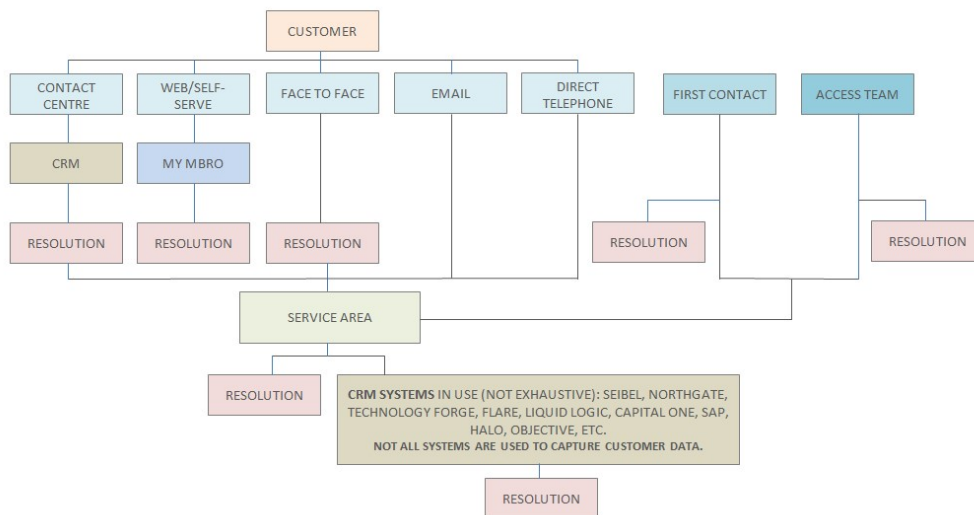


FIGURE 1: CUSTOMER JOURNEY AS IS

9. Not keeping pace with developments in customer services will unfortunately result in missed opportunities for our customers. As customer focus is a theme running throughout the Change Programme driving forward several other strategies, our existing ways of working need to reflect this.
10. Whilst technological solutions are an enabler to this change in culture, it is as much about cultural and process change.

Strategic Statement

11. The Middlesbrough 2020 Vision sets out a vision for Middlesbrough to be ‘the place to live, work and visit’, supported by three strategic aims:
- A town that is clean, safe and healthy;
 - A learning town, in which families and communities thrive; and

- A town that continues to transform.
12. In order for this transformation to be achieved, Middlesbrough Council will compete with commercial organisations, proactively engaging with customers, reaching out to and delivering a personalised service.
 13. Customer demand for access to Council services will most certainly increase in the future, therefore investment in a customer-centric culture (both financially and in terms of staff buy-in) and systems, is vital.

Future Operating Model

14. A forceful channel shift of customer access will be required in order to meet the strategic vision outlined; streamlining and simplifying, or reducing/closing down some potentially redundant routes into the Council for customers in order to make those remaining as efficient as possible.

See Figure 2.

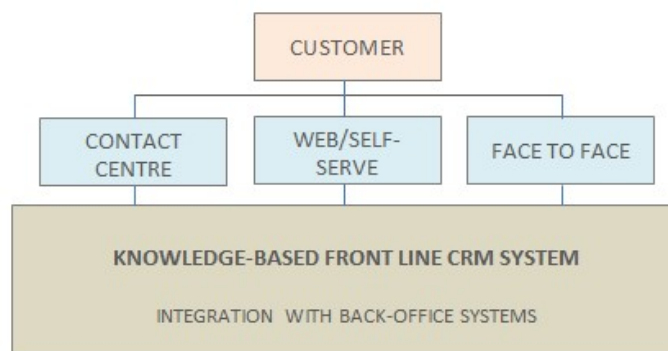
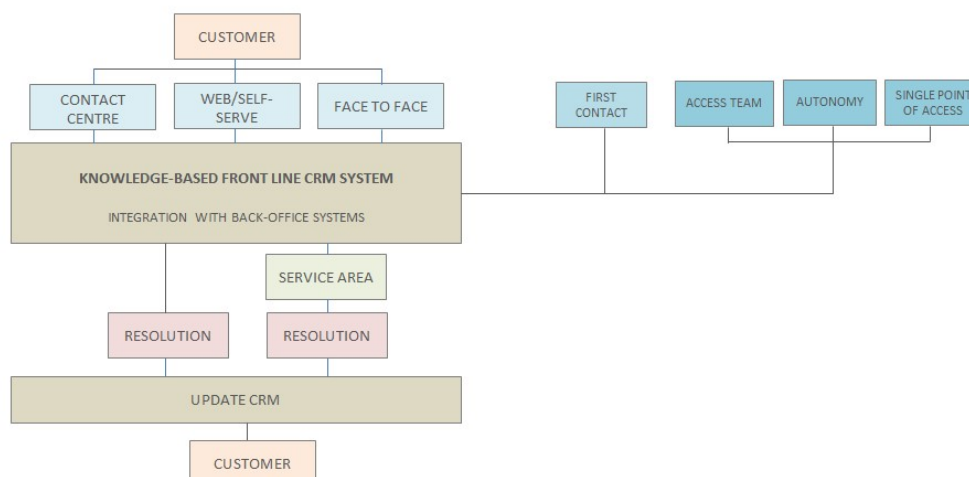


FIGURE 2: PROPOSED CUSTOMER ACCESS

15. Supporting the channel shift, staff will manage and maintain a knowledge-based customer relationship management (CRM) system to record all customer interaction from initial contact to resolution; thereby creating an accurate customer profile and history, with contributing management information. Note that the customer is kept informed of the progress of their enquiry from start to finish. See Figure 3.



Project Plan

The Project plan will move Council towards operating model, with the following work streams and indicative timescales as described below:

16. In order to fully embed a consistent, cohesive and coordinated customer-focussed culture, the development of a customer charter alongside a detailed training programme, a tailored approach to all staff is vital; back up by Middlesbrough Learns and the Middlesbrough Managers toolkit. All staff must be armed with the resources and information on how to best serve customers and deal with their enquiries.
17. This change in culture will be socialised via a full marketing campaign, illustrating a change in service delivery for our customers, for the better. Redesigning Middlesbrough House reception, with the focus on self-serve, touch-screen technology and available staff actively supporting customers in its use, with minimal desk staff and cashiers is an aggressive shift in directing customers to Council services, rebranding Middlesbrough House as the single customer service point in Middlesbrough town centre.
18. Key areas to be developed and/or introduced are a Council-wide customer relationship management system and the external design and development of the Council website and intranet; streamlining customer access to Council services, development of the contact centre structure and the introduction and roll-out of a customer-driven culture.
19. Numerous local authorities have now progressed to using a single front-end CRM system to contend with the challenges of growing customer service expectations and shrinking financial resources, requiring new tools to promote customer engagement and Council responsiveness. A common infrastructure across the whole Council will ensure consistency of information and would embed a customer-focussed culture. Implementation of the CRM system and redesign of website and staff intranet is scheduled for completion by 2015/2016.
20. Enabling a simplified, service-led website, backed up by a fully-integrated, knowledge-based CRM system will ensure that customers become digital by default; customer demand for Council services will not reduce, in fact with the drive for 'digital by default', access to Council services will likely increase as a result. The current working model - if continued - will either break down; ensure additional costs, or both; standing still is not an option.
21. Commissioning an external web-design company to undertake the redesign and development of both the website and staff intranet is key; building upon the work that My Middlesbrough has started. The CRM, website and intranet development work will inform the restructuring the contact centre and other access points during 2015/2016, once services have returned from Mouchel.

22. A customer portal accessed via unique log-in through the Council website will allow customers to access Council services 24/7.
23. Whilst an appreciation of the different access routes customers prefer should be considered, there is an urgent requirement for a step-change in the way we channel shift our customers, considering the importance of what customers need versus what customers want. Council services need to be accessible to all; simplistic, service-led interfaces will attract users; whether older people, those with English as a second language, customers with learning difficulties, young people, etc.
24. The ratio of Middlesbrough House receptionist staff, versus floor-walking support staff in the self-serve area should be turned on its head, driving forward the shift to digital by default; a format which should be replicated in all libraries and community hubs, along with the presence of touch screen self-serve technology for self-serve access. This should be accompanied by a full marketing campaign to customers, raising awareness of the benefits in channel shift and self-serve.
25. Enquiries from Councillors, service requests, complaints, compliments or feedback will be directed through the contact centre or self-serve facilities, which will assist in the channel shift process. Responses in terms of timescales, house style and etiquette should be professional and consistent across the Council, regardless of the source, allowing for comprehensive customer profiles to be built, as well as contextual knowledge and accurate management information.
26. Creating Information Champions from service area specialists will enable constant cross-communication, sharing of information and consistency in approach; using schedules of planned works over the next financial year to pre-empt customer enquiries, ensuring accuracy of information and enquiry resolution.

IMPACT ASSESSMENT (IA)

27. An impact assessment was complete and found that the proposal is particularly relevant to the age, disability and race protected characteristics as defined by the Equality Act because of the nature of the services that will be included in the proposal, the make-up of its service users and the design of future customer services. There were no concerns that the proposal could have a disproportionate adverse impact because implementation of revised channels for customer access will be designed to ensure services are flexible and intelligent enough to be adaptable where people have different needs because they hold a protected characteristic.

OPTION APPRAISAL/RISK ASSESSMENT

28. The current working model - if continued - will either break down; ensure additional costs, or both. Standing still is not an option.
29. One option would be to deliver the customer strategy projects in-house, however this route would take longer and would lack professional expertise. Alternatively, all projects could be outsourced; however links to the Change Programme would be lost.

30. In order to significantly improve the effectiveness of all Council services from a both a customer and business perspective, whilst also facilitating savings as directed by the Change Programme, the changes as suggested in this report require implementation between 2015-2018. This method blends both internal resources with external expertise.

FINANCIAL, LEGAL AND WARD IMPLICATIONS

31. **Financial** - Outline costs to the Council are identified below:

ACTIVITY	BUDGET ASSIGNMENT	OUTLINE COSTING
Staff development programme	Change Programme	£50k
CRM system	ICT Capital Funds	ICT Provision
Website/intranet redesign and customer portal	Change Programme	£50k
Marketing campaign	Marketing/Communications	£5k
Customer reception design	Capital application	TBA

32. With the exception of the CRM system implementation, which will incur annual costings (to be confirmed, once a provider is selected), all other activities listed above are a one-off costs on an invest-to-save basis.
33. There is a £1.1m reduction against the 2012/2013 baseline from customer access expenditure by March 2017. Following the Mouchel TUPE process, there will be a clearer understanding of expenditure in that area, at which point targets will be reviewed. The Customer Strategy will help to achieve these savings.
34. **Legal** - This project has no legal implications.
35. **Wards** - Customer service impacts upon every customer accessing Council services both directly and indirectly, across all wards.

SCRUTINY CONSULTATION

36. The Overview and Scrutiny Board has undertaken a separate piece of work also aligned to customer contact which is currently being considered by service areas for progression.

RECOMMENDATIONS

37. That Executive approves the implementation of the Customer Strategy across the Council, as outlined in this report.

REASONS

38. Embedding customer excellence at the heart of council practices will ensure an excellent experience for all customers, improve organisational reputation and increase staff morale.

39. Moreover, not keeping pace with developments in customer service will result in missed opportunities for customers. Embedding a strategic vision will ensure that Council services are consistently valued.
40. As a key principle of the Council's Change Programme, the adoption of a forward-thinking and strategic approach to the customer will enable the Council to significantly improve the effectiveness of all services from a customer perspective, while also facilitating savings across the programme.

AUTHOR: Gemma Cooper. Change Programme: Customer Lead.
TEL NO: 01642 729281

Address: 2nd floor, Civic Centre.

Website: <http://www.middlesbrough.gov.uk>