



Channel Shift Scrutiny Review Report

March 2015

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1.0 Preface

Wolverhampton's residents and businesses quite rightly demand high levels of customer service. The aim of the review was to consider the new channels available to customers and ensure that none of them are left behind as well as to ensure that the customer service Wolverhampton City Council delivers is the best class possible available in this regard.

Value for money is always at the heart of anything Wolverhampton City Council does and channel shift is no exception. The Scrutiny Review ensured the Council would deliver more for less by making efficiencies across the various communication channels the City uses, so that we can save local taxpayers' money, while not compromising on the service they deserve.

Channel shift recognises the importance in providing a good quality service to customers allowing them access through appropriate channels. The Council should deliver the best service to all residents from those who do not use a computer to those who are media savvy. Channel shift is also key in saving the Council money by shifting to low-costing forms of communication using the technologies available including social media.

On behalf of the group, I would like to thank all the individuals and service groups who contributed so openly to this review. These valuable contributions have helped Councillors to make recommendations to help take forward the Council's approach to channel shift.

Councillor Jonathan Yardley, Chair of the Scrutiny Review

2.0 Summary of Report

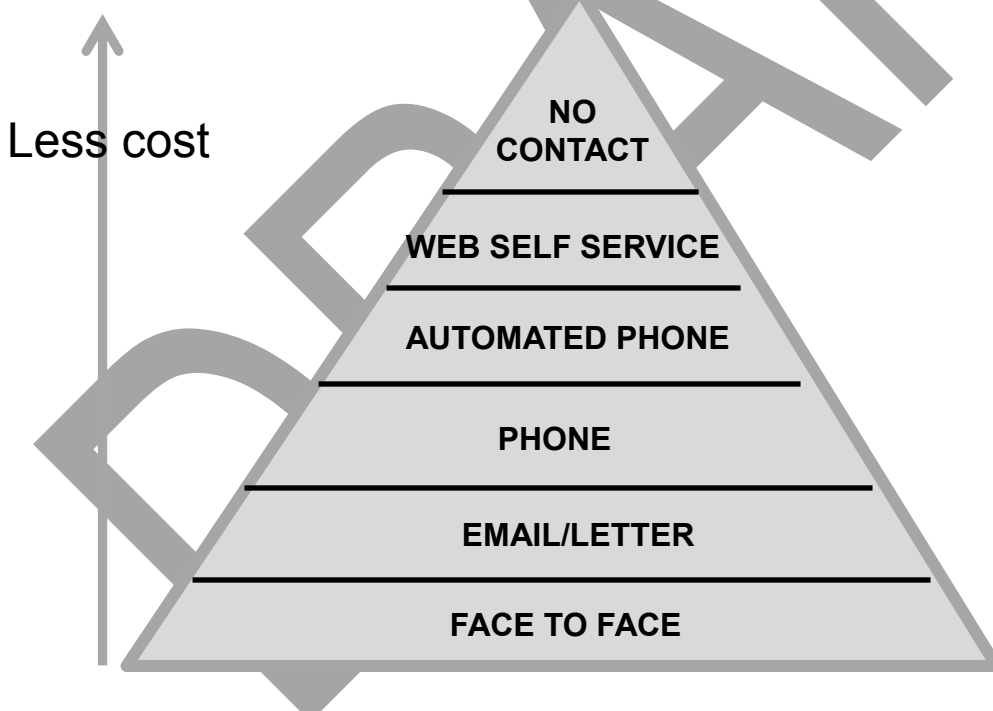
- 2.1 The review group met on four occasions to hear evidence about the changes taking place at the Council in relation to channel shift. This included the services that would be procured and how residents will be informed of the changes.
- 2.2 A summary of witness evidence is given in section four of this report in relation to plans and timescales of channels to be shifted, the procurement of new systems and how residents will be consulted throughout the channel shift.
- 2.3 This report highlights the need for change in customer interaction and the importance to the Council's performance and budget.
- 2.4 Insight is provided into new systems required by the Council to ensure an effective channel shift, to safeguard the Council's information and data sources and to make use of technologies available.
- 2.5 This report details the methods of communication which customers are already using which are provided by the Council, including social media. It outlines the effectiveness of these methods and how demographic data can help in considering the most appropriate channels for residents.
- 2.6 Recommendations are made to:
- include a risk register throughout the channel shift,
 - ensure the systems procured are future-proof,
 - improve and retain communication with internal and external customers,
 - endorse the "My Account" feature integrated into the customer view of the CRM system to allow residents to easily see the transactions they have previously made and customise the services that they view,
 - use SMS messaging as an integrated form of contact with customers,
 - endorse the use of tablets and PCs in guiding customers onto digital channels,
 - publicise the compliments received to Customer Services.

3.0 Introduction

- 3.1 Channel Shift is the drive to deliver services through the most appropriate, efficient, convenient and cost-effective means. Delivering citizen services across a range of channels offers real savings in cost and efficiency. For example, it is estimated that a face-to-face transaction costs local government approximately £8.00, the same interaction by telephone around £3.00 and via web visit just 30 pence. There will always be instances where face-to-face is the preferred and necessary mode of operation, however many citizens are used to the 24/7 culture offered by call centres and the internet and embrace the flexibility this offers.
- 3.2 Developing the Council's approach and execution of channel shift is a core business aim of the Confident, Capable Council corporate priority. This commitment is based on the belief that to be sustainable in the long term, digital self-service options need to be the contact channels for a citizen or business accessing services but still retaining some element of face-to-face and telephone contact as an appropriate source of contact.

- 3.3 As technology advances, the Council has a duty to offer services which optimise efficiency and provide value for money using optimal technology and appropriate social media. With £123 million of savings to identify over the Medium Term Financial Strategy, this advancement will allow the Council to meet the increase in demand for services.
- 3.4 Simultaneously, the Corporate Communications team underwent a restructure which resulted in the division of skillsets between a leaner Corporate Communications team and a newly formed Channel Shift team which was sited within Customer Services in July 2014. The Channel Shift team comprises of Web Development Officers, Digital Media Advisors and a production unit which supports the creation and distribution of various digital and print media.
- 3.5 For Wolverhampton City Council, Channel Shift is the migration of customer contact from more expensive channels to less expensive channels, as illustrated in figure 1. For example, engaging residents to carry out transactions or submit requests through the corporate website rather than contacting City Direct or visiting the Council face-to-face at the Civic Centre.

Figure 1



- 3.6 The review explored the potential savings of channel shift, how it was embedded throughout the Council and how changes were communicated with stakeholders.

4.0 Findings

4.1 Digital by Design

There are two commonly described methods that underpin a channel shift strategy; digital by default and digital by design.

Digital by default is where customers are moved to digital channels by force. The business process is redesigned with the primary purpose being to remove any other channels for customers to contact or place a service request. All new processes are automatically made to be digital with no other channels offered for customer contact.

Digital by design is where the end-to-end business process is reviewed in detail and areas deemed suitable for channel shift are identified. Digital options can be made available to customers at salient stages of the enquiry or transaction process or the entire process can be transformed to digital. This method places emphasis on due diligence and consideration of the demographic, processes involved and intervention required by the customer and the back office.

It was proposed that Wolverhampton City Council adopted the 'digital by design' method. This method is business intelligent and tells us where real savings can be made and provides us with greater return on investment. The Institute of Customer Service leans towards this method which relies on customer insight to provide an open and inclusive service offering, ensuring customers engage with the business. By definition, customers are encouraged into using digital transactions which are ever evolving.

The review group endorsed this approach as it ensures that the needs of a wide variety of customers are met.

4.2 Customer Services Review

The Customer Services Review, carried out by the Council's contact centre (City Direct) through PA Consultants, was presented to Cabinet on 23 April 2014.

The findings of the review were as follows:

- *Management*: the management team have made great strides in stabilising and improving the operation, although there are capability and capacity gaps that must be addressed to better align with best practice principles.
- *Customer Alignment*: The principles and aims of the strategy are right and logical, however there is no clear operating model for customer services and the roadmap towards optimisation needs further development.
- *Process*: City Direct successfully fronts key customer-facing services in line with defined processes, however the scope of delivery is shallow, hand-offs remain and insight and performance management needs enhancement.
- *People*: There is awareness of the importance of staff engagement, communication and training; however the structure of City Direct does not fully facilitate effective resource management or advisor development.

- *Information:* There are multiple information sources and systems used by Customer Service Officer's to resolve interactions that do not support timely resolution at the first point of contact, or facilitate an effective hand-off to the back office.
- *Facilities:* Progress with the Civic Centre has been made and there are plans to further enhance the environment – however plans must be revised to remain in-line with the future requirements of customer services.
- *Technology:* Current technologies are not fit for purpose; however plans are in place to enhance enabling systems and implementation must align with the requirements of City Direct and the optimisation roadmap.

The report included proposals for optimisation of the contact centre and the projected benefits and implementation costs. The review group is pleased with progress but would recommend that Cabinet maintain receipt of regular briefs on future progress.

4.3 PA Consultants

The expectations of customers and financial pressures that council's experience during channel shift were explained to the review group. Together, with City Direct, PA Consultants would be looking to enhance the channels and make the best use of resources available. It was explained that customers don't care about 'channels' any more than they care about internal organisational structures. They want to interact with the Council in the most convenient way for them.

PA Consultants approached the channel shift through:

- migrating services to the customer front line
- enabling through the implementation of key technologies
- encouraging customers to help themselves

The plan for the work of PA Consultants was estimated to take 16 weeks.

At the time of the evidence gathering session, work had already begun on:

- the engagement process
- assessing the baseline position of City Direct
- assessing the capacity and capability of the internal team

The review group was interested in the prospective use of SMS messaging and the costs that would be incurred to the Council and to residents. They gave examples of sending SMS messages as reminders of impending renewals, to distribute key information and as receipts of services booked.

The group also enquired into the amount of hardware that would be required for customer interaction. They were concerned about the reliance on technology and electricity supply. The risks involved would be investigated and a technology supplier would be procured to put solutions in place.

4.4 Customer Relationship Management (CRM) Solution

Many public and private sector organisations have transformed to digital channels to improve customer service. The Council plan to take advantage of the technology

available. Cloud digital platforms with integrated Customer Engagement Management (CEM) and CRM solutions are increasingly becoming the default option.

The following were presented to the review group as the services the Council required in a CRM solution:

- *My Account*
 - Personalised 'My Account' and authenticated citizen portal to initiate council services, track progress and to view all interactions with the council irrespective of the access channel used.
- *Knowledge Base*
 - Citizen and employee searchable Knowledge Base providing intelligent 'Frequently Asked Question' articles and Amazon like 'related items' to support self-service and self-resolution.
- *Multi-Channel Access*
 - Ability to engage with citizens through their contact channel of choice but able to move seamlessly to cost effective digital channels without degrading the service or citizen experience.
- *Web chat*
 - Mediated support for citizens using the digital channels to ensure completion of the transaction.
- *Case Management*
 - Recording, monitoring and management of all citizen interactions with the Council with a complete audit trail of who did what and when.
- *Configurable Workflows*
 - Automation of tasks and processes in response to citizen interactions.
- *Integrations*
 - Mapping integration for the recording of geographic information.
 - Standard links for allowing the sharing and transfer of information between the Council's Line of Business applications.
 - Telephony integration to find and display citizen information and the recording of conversations.
 - Social media integration to proactively identify and respond to hot topics in the local community.
 - Mobile App integration to simplify the interactions with citizens.
- *Analytics*
 - Reporting and management information on performance but also providing insight into service usage for the shaping of future service provision.
- *Cloud Services*
 - Cloud based hosting using a subscription based licencing model and requiring no investment in a hardware infrastructure.
- *Security and Availability*
 - Citizen information held securely and resiliently but accessible by any device, anytime, anywhere, by authorised individuals; high availability of services is critical to encourage adoption.

The review group was concerned about sensitivity monitoring and anonymity of a safeguarding issue within an Integrated Customer View – a model of sharing information across departments and back office systems to create a single view of the customer. This

issue was to be included when considering the system so that appropriate access would be given and nothing protected would be available to other employees, beyond those who needed access to the file.

A cloud platform would involve passing responsibility of safeguarding of information to an outside provider. This caused the review group concern, however the cloud offers resilience and disaster recovery. Internal hardware would incur costs larger than those of using the cloud with minimal return. A contract would be drawn up including 100% availability except for agreed downtime for maintenance works. The cloud system had matured over the last few years and is now at the security level necessary for the Council's use.

4.5 **Social Media**

Social networks are active media channels and require engaging content to be successful. Users are not merely passive consumers of information – they expect to interact with the organisations that supply it. A key characteristic of these sites is that they often facilitate instant communication with and between individuals and organisations.

Effective use of social media can improve trust and confidence between an organisation and its customers and demonstrate that the organisation is dealing with the things that matter to them.

Social media is a much cheaper medium compared to more conventional media types. It can also be much more targeted and its impact/outcomes are much easier to evaluate.

The council currently uses social media to:

- inform about council services and initiatives and clarify misinformation
- respond to service issues to deal with what matters
- engage stakeholders as part of consultation programmes
- encourage participation in activities, initiatives and campaigns

In particular, the City Council has developed a strong presence on a number of key social media platforms:

- Facebook: 35,181 followers on Wolverhampton Today
- Twitter: 9,045 followers
- YouTube: 118,935 video views
- Flickr: 1,027 photographs posted

The Communications team and Customer Services team worked closely together and social media would be integrated into the CRM system.

The review group was impressed with the work that has already been done in this area however they recommended that the Council should not stop advertising services on social media for those not using social media as family and friends would be able to pass on advertising. For example, an older person who does not use social media may have a relative who does use social media who can inform them of the services being advertised.

4.6 **Citizens Consultation**

Recent years have seen a reduction in the quantities of printed marketing collateral being produced for marketing and communication purposes. This is to reduce cost and also because more targeted and effective engagement methods exist.

Wolverhampton City Council actively promotes the use of digital channels in its campaigns and projects. This is as a direct result of changes in which citizens now choose to receive their information and also in part due to a reduction in marketing and promotional budgets.

The Communications Team has recently procured social media management software that will allow for all Council social media channels to be monitored, analysed and better managed. This technology will allow the Council to maximise its relationships and conversations with our audiences, creating an explosion of trackable online engagement and public dialogue.

Social media and new technology can be used as a pre-prepared 'human sensor network' that the Council can use as a temperature check to become aware of local issues which could be a source of complaint or praise. It can also be used as part of an integrated, digital campaign to consult, survey and engage wider audiences.

It is clear that not all citizens have access to, or are confident in using new technology. All Council communications take this into consideration and channels are selected based on demographic data obtained from the Mosaic profiling system which enables us to target people using the most appropriate channels for them.

The review group was pleased with the progress made in this area of work.

4.7 **ContactPortal System Administration – Net Calls automated telephone system**

The ContactPortal is a product which uses telephony speech processing, so that a telephone user says the name of the person or department they wish to speak to, the system understands and 'puts them through'. It is an intelligent call routing by spoken voice using true natural language.

This system would initially be used internally by the Council. Councillors were encouraged to test out the system.

The review group enquired about how the system would be updated as employees left, joined or moved desks within the Council. They were reassured that employees could easily update their telephone number via Agresso.

4.8 The review group was made aware of work being done to integrate communication alarms and telecare and would welcome the input of the Channel Shift team where appropriate.

5.0 Recommendations

Based on the evidence received, the review group make the following recommendations to ensure residents are involved in the channel shift and risks around safeguarding information are kept to a minimum.

- R1 To introduce a risk register for the channel shift, identifying potential risks at each stage and ensuring these are included in the procurement new systems. This could be incorporated into the Corporate Risk Register and should include but not be restricted to:
1. The risks involved with a system being heavily reliant on technology and electricity supply.
 2. Sensitivity monitoring within an Integrated Customer View.
 3. The risks involved in passing responsibility of safeguarding information to an outside provider. This includes other organisations using the same cloud space and the security level of personal information.
- R2 To develop a channel shift communication plan which focuses on employees and external customers outlining the changes being made and the timescales involved, how it will affect them and the help available and how they can get involved and give feedback.
- R3 To endorse the implementation of the “my account” feature integrated into the customer view of the CRM system to allow residents to easily see the transactions they have previously made and customise the services that they view. This could include information about the customers ward councillors, local provisions e.g. refuse collection and road works, and local events taking place.
- R4 To ensure that all systems procured in the channel shift are future-proof. This includes ensuring the ContactPortal is updated regularly and system suppliers can be changed should the leading supplier of a service change whilst not requiring anything extra from the customer.
- R5 To endorse the role of the Customer Services team on the Civic Centre concourse in guiding customers through the digital channels on tablets and PCs.
- R6 To ensure customer satisfaction is monitored regularly and changes are made based on the feedback received.
- R7 To illustrate the positive work of the Channel Shift and Customer Services teams by ensuring all compliments received are publicised.
- R8 To use SMS messaging as a form of contact with customers in confirmation of services booked and reminders of booked appointments or forthcoming renewals. This should be included in the procurement of a CRM Solution.

6.0 Appendices

Contributors to the review

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