

Channel shift strategy

Business case for Design Phase
funding
November 2011



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Executive summary (1/3)

What is our Channel Shift Strategy?

Enhancing Customer Experience & Reducing Cost

Our Channel Shift Strategy is designed to provide the council with an analysis of Central Bedfordshire's customer base, the services that they need and their preferred method for accessing these services.

This analysis is conducted to inform and shape the future model for service access.

The scope of this project covers all core access channels such as telephone, web (internet) and face to face.

One of Central Bedfordshire's key priorities is to increase customer satisfaction. A critical component of that aim is to ensure services and access channels are tailored to customers – their location, their lifestyles, needs and wherever possible their preferences.

This project is a critical step in ensuring the council delivers against this priority. It will focus on identifying the optimal access channel configuration to meet the needs of Central Bedfordshire's citizens in the most efficient and consistent manner.

Channel Shift

This Channel Shift Strategy is also a key mechanism with which to identify and design the required channel configuration to encourage customer to channel shift.

Channel shift is a process whereby, customers, whom have a preference to self serve for transactions, are moved on to digital self service channels to interact with the council. This replaces the use of more traditional transaction routes, such as over the counter face to face or telephone.

The financial benefits to Central Bedfordshire are significant when the cost to transact over each of the core access channels is considered.

The estimated cost per visit across council access channels is as follows;

•face-to-face delivery	£10.47
•Telephone	£4.00*
•web	£0.17*

*Estimated costs when systems are fully integrated. Source:NWeGG

Executive summary (2/3)

Customer insight and approach

Segmentation

The web and other digital channels have the potential to deliver greater efficiency and better customer service than traditional channels

But, if it doesn't work well enough, it adds to avoidable contact and fails customers.

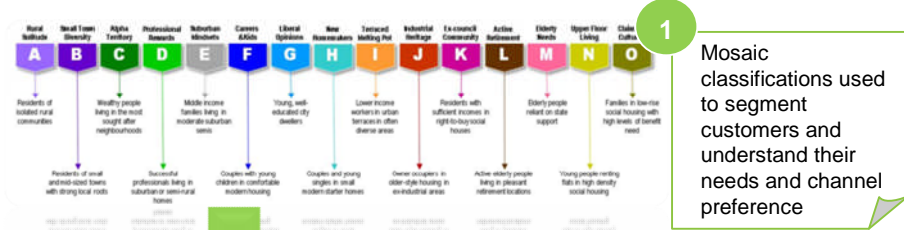
Therefore improvement requires a better understanding of customer needs/wants from the web. All too often local government designs channels based on an internal perception or internal processes. For this strategy we have used Mosaic classifications to shape our understanding of Central Bedfordshire customers

What is Mosaic?

Mosaic Public Sector is a customer classification that enables households to be categorised into unique segments. We have used Mosaic public sector to segment some 107,000 households in Central Bedfordshire.

Mosaic Public Sector (the most used Public Sector classification in the UK) uniquely classifies every household and postcode in the UK into 69 Types aggregated into 16 Groups. Mosaic Public Sector is one of Experian's Mosaic family suite of tools that classify over 1 billion individuals worldwide. It took two years to devise and build, employing a development team of over 30 staff who sourced and analysed some of the UK's most comprehensive and descriptive consumer data sets.

Using segmentation to drive our strategy



1 Mosaic classifications used to segment customers and understand their needs and channel preference

2 Mosaic classifications are adapted to develop customer personas, grouping common needs and likelihood to channel shift

3 The qualitative analysis is then used to inform the 'size of the prize' in terms of channel shift as well as providing the platform for each future state channel configuration and design

Executive summary (3/3)

Summary of outputs

Key areas of work

Analysis of existing telephony, web and face to face volumes data combined with our understanding of channel preference has identified the following services as key areas to focus on during the development of the Channel Shift Strategy:

- South Beds housing
- Planning/development control
- Council tax payments
- Highways
- Waste
- Leisure
- School transport
- Bus passes
- Free school meals
- General enquiries

Detailed design work will establish which processes in these areas are resulting in high telephony and face to face volumes, and look at ways of shifting these to the web.

Benefits

These 10 strands account for approximately 540k (36%) of the 1.5m calls received by the council each year, and 27k (54%) of our face to face contacts.

Using our Mosaic based assumptions of channel preference, we can estimate that some 255k telephony and 2.1k face to face contacts can be shifted to the web.

Once delivered, the removal of these avoidable contacts will save the council roughly £1.5m per annum. These savings will be achieved through headcount reductions in the front and back office.

What next?

The project will commence with detailed design work, looking at exactly how each of the identified services are currently being delivered. This will then be analysed to identify how the web can be utilised in order to encourage channel shift, and deliver a better service to the customer.

Scope and objectives

The 'Central Direct' Channel Shift Strategy will directly improve service delivery to customers through the increased use of more cost effective and improved channels, re-engineered back office processes and strategically aligned telephony and face-to-face access.

The scope of this business case is the enhancement and development of the Web Channel to deliver the changes and benefits described within this paper, but this is in the context of the overall Channel Shift Strategy.

The objectives for the Central Bedfordshire Channel Shift Project are:

- 1.To improve the customer experience/customer satisfaction
- 2.To save money
- 3.To make it possible for customers to access most appropriate services on line
- 4.To drive customer traffic away from higher cost access channels to lower cost channels where this is preferred by, or acceptable to customers

The drivers for change

The implementation of a comprehensive Channel Shift Strategy including web is fundamental to the transformation of the council's services. The significant cost savings that can be unlocked by moving services online will become essential for the delivery of the corporate strategy and meeting the budgetary challenges of the future.

This proposal outlines how a cohesive approach to the council's online presence will save money, give customers a better service and community engagement, and support Councillors as leaders of place.

1. Giving customers a better service

Demand is ever increasing and customers expect a more personalised and higher quality service. Moving services online will make self-service easy for those who are able to access and use the internet and integration of front and back office processes will ensure that customers enquiries can be resolved at their first point of contact with us, through the lowest cost channel.

2. Unlocking significant organisation wide cost savings

Budgetary constraints have meant that the council has to look at ways of delivering service and customer contact in more cost efficient ways. Enabling and encouraging customers to change their choice of contact channel with the council to lower cost alternatives (e.g. from telephone/face-to-face visits to web), and reducing the need for them to do so repeatedly will release significant benefits and improve the consistency and quality of service customers receive.

3. Making community engagement easy and relevant

Making more effective use of the web channel and social media tools will make it easier for the council to engage with customers. These tools allow councils to have conversations with local people about matters of policy and service. In this way they can be used to facilitate greater democratic involvement.

Design principles

We want the Council to.....:

- Work as one organisation
- View every customer as important
- Understand and respond to customer preferences
- Provide effective customer service, resolving enquiries at The first point of contact
- Be driven by evidence in its decision making
- Be prepared to work differently, changing back and front office processes
- Invest in staff and technology to deliver change

We want our technology to be

- Stable – ensuring continuous service
- Innovative – capable of exploiting new and emerging opportunities
- Secure – protecting the Council's assets and reputation
- Responsive – the changing ambitions and needs of the organisation
- Intelligent – capable of recognising our customers when they revisit the website.
- Consistent – to give customers the same service, across all e-enabled services and processes

We want our structure / organisational design to be

- Rational – governed by evidence rather than convention
- Transparent – clearly understood by all
- Holistic rather than siloed
- Flexible – capable of change

We want our people to ...

- Be results focused
- Be empowered to make a difference
- Respect customers as individuals who matter to us
- Be collaborative
- Manage resources efficiently

We want our customers to....

- Be able to contact us easily
- Have confidence in the information, advice and service they receive
- Get the right service first time
- Have a great experience when they access our services



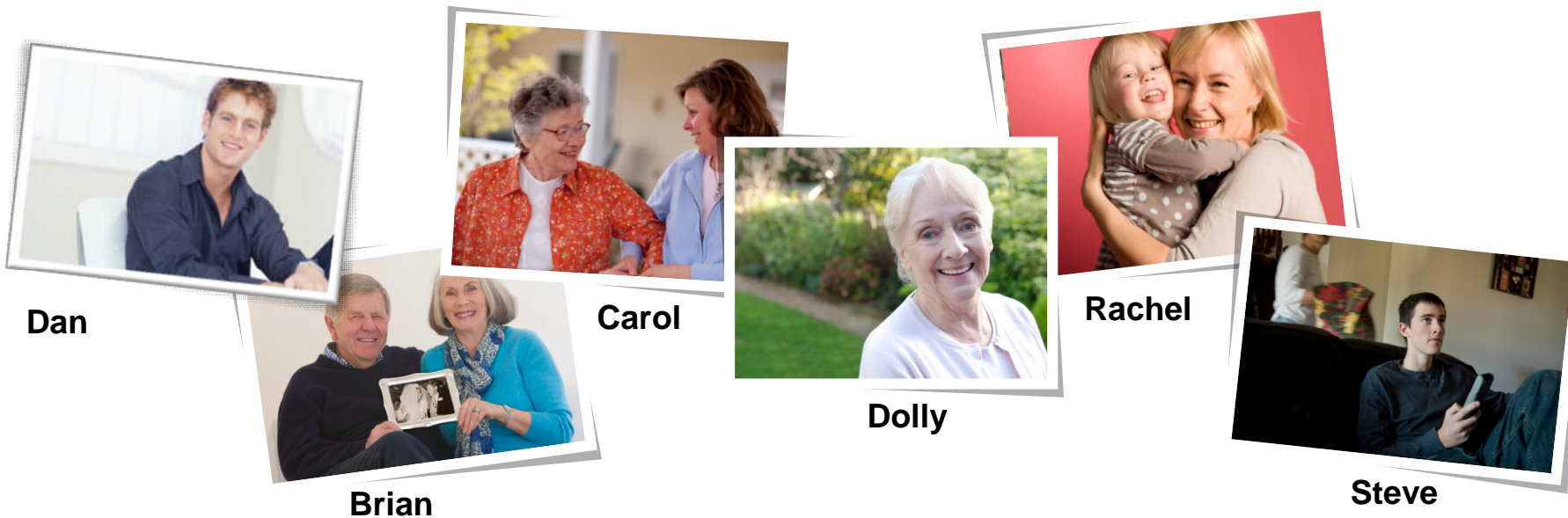
Central Bedfordshire customers

Central Bedfordshire customers

Dan, Brian, Carol, Dolly, Rachel and Steve are representations of 6 broad customer types to whom we allocate significant resources to ensure that they receive information, advice and advocacy through the right channels.

They represent the people whose needs and behaviour will drive the benefits of our Channel Shift Strategy.

Focusing on their lives and needs have helped us to create a strategy that will improve their contact experience through all channels – face-to-face, digital, and phone - and ultimately reduce the cost of managing our contact with all of our customers.



Meet Dan

Dan is typified by the Mosaic segments:

- 17% of Central Beds customers
- Propensity to channel shift – High

C

D

Age: 30



I'm really enjoying myself at the moment. Sure, things can get stressful with work, planning a wedding and moving home, but I just try to make the most of any free time that I have with Lucy.

Characteristics

- Dan and his fiancée are young professionals who commute to London regularly for work
- Both Dan and Lucy have high earning power but very little free time
- They have recently bought their first home together in an attractive and sought after neighbourhood

Needs

- He and his fiancée need access to public transport in the area to commute to and from work
- Access to everyday information regarding bin collection and road maintenance
- Local events/entertainment information so that they can plan their free time appropriately
- Birth registration facilities in the event that they decide to start a family

Preferences

- Dan gathers information from a range of sources including publications, the internet and local media; but especially from his friends and colleagues, which heavily influences his point-of-view
- Dan tends to only look at our website when a particular issue or query arises

Shift propensity

- The internet will be Dan's first choice when he needs information, however he may eventually want to talk to someone to resolve an issue
- Digital channels will be more attractive due to time constraints
- Currently, people such as Dan use the internet for both work and leisure purposes, and are highly technologically literate

Meet Brian

Brian is typified by the Mosaic segments:

- 14% of Central Beds customers
- Propensity to channel shift – Medium

B

D



Age: 60

Sue and I are settling down to enjoy the best years of life, and plan to make use of our free time now the kids have moved on.

We are thinking about retirement but still have a few years to work yet.

Characteristics

- Brian is a parish councillor, and Sue volunteers at the library
- As an older couple living in a rural area, Brian and Sue tend not to use our services as much as they used to (mostly because they no longer have any dependants)
- Mostly contacts us for leisure services, or to report issues
- Can be a demanding customer who is often disappointed by their experience with our services

Needs

- Dependent on high-standard road network for transportation
- Interested in highways updates etc and possibly in highways planning info, drainage / extreme weather, public lighting
- Curious about government spending and has submitted FOI requests
- Planning applications, waste and recycling bins

Preferences

- They are comfortable with all channels of contact; however when possible they prefer to research information themselves before speaking to someone personally
- They think that we should provide clear and varied avenues for getting in touch and themselves using a variety of avenues for information including our website and publications

Shift propensity

- Because they live in a rural area, they have a higher propensity to self-serve and use digital channels for convenience
- People like Brian and Sue are generally quite savvy users of basic web functions and are likely to already be purchasing goods and services online
- They have a mobile phone and a high specification computer

Meet Carol



Carol is typified by the Mosaic segments:

- 16% of Central Beds customers
- Propensity to channel shift – High



Age: 45

I wouldn't want anyone else to care for my mother, but sometimes it's just exhausting and I need a minute to myself.

I also don't know what help the council provides so I end up doing most things for mum myself.

Characteristics

- Carol works and has a family of her own, which keeps her very busy. She has two school aged children
- She often feels “missed out”
- Carol’s mother is becoming progressively less able to live on her own
- Carol has to navigate through all the information about what help mother might be eligible for herself

Needs

- Support network
- Information about local services and training to support her role as a carer
- Registration forms / financial support/ eligibility
- Proactive information about eligibility for benefits
- Youth services information
- Requires school info (i.e. Term dates / services / school curriculum)

Preferences

- Carol likes advice in person, but has a preference for using digital channels due to time constraints
- She uses the internet and telephone for advice and information, and is a quite savvy at it
- She has a smartphone and would appreciate if our services would take advantage of its functionality

Shift propensity

- Due to time constraints, Carol will contact us using digital channels
- However as she wants to be certain that her mother is safe and cared for, Carol may want to have a human interaction via either phone or face-to-face

Meet Dolly

Dolly is typified by the Mosaic segments:

- 7% of Central Beds customers
- Propensity to channel shift – Low



Age: 79



I know I'm getting older, and my eyesight is really not what it used to be; but I still want to stay in the house I've always lived in.

Recently I just haven't had the confidence I used to in doing things for myself.

Characteristics

- Dolly is registered as partially sighted
- She wants to stay independent for as long as possible
- Being on her own, she feels lonely and isolated from her family, even though she has friends and strong links to her community

Needs

- She is retired, and therefore requires pension services
- Assistance in the home
- She has a degenerative disability and requires a Blue Badge
- She has recently begun using transportation services as her eyesight has degraded

Preferences

- She had been comfortable using the phone to get in touch with us when she needed; however she has recently been losing her confidence to do so and finds remembering who to contact difficult
- Her preferred method of contact is now face-to-face if someone is accessible nearby to talk to

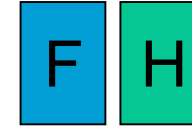
Shift propensity

- Low propensity to use the current online channel or direct debit services.
- Unlikely to have a high specification computer or be internet literate. The area she lives in may have poor broadband connectivity. (Though trends suggest that increasingly people in Dolly's position are likely to be familiar with email and internet search.)

Meet Rachel

Rachel is typified by the Mosaic segments:

- 13% of Central Beds customers
- Propensity to channel shift – Medium



Age: 34



I really want to make sure Emma gets the best schooling she can.

Central Bedfordshire has some great events for children but I don't always know when they're on.

Characteristics

- Rachel is a single mother, and has to handle almost every aspect of her daughter's life and education herself
- She works part-time, and makes every effort to spend as much time with her son as possible
- She rents an apartment in a new residential development and enjoys a nice quality of life

Needs

- Concern over primary school admission / choice of schools
- Recipient of early years services
- Requires school information (i.e. Term dates / services/ school curriculum)
- Library services relevant to young families
- County park / local tourism and entertainment services relevant to young families

Preferences

- Rachel is very comfortable using digital channels and prefers getting information online. She is happy to use web-based forms for applications (e.g., schools services, paying bills)
- Uses the internet for all aspects of life, work, leisure, shopping, gathering information, news
- People such as Rachel will often have Twitter and Facebook accounts

Shift propensity

- Rachel will welcome shifting more of her interaction with us to the internet
- Digital channels will be more attractive due to time constraints because she is driven and has a busy home and social life.
- Open to understanding new ideas around how services will be delivered and accessed

Meet Steve

Steve is typified by the Mosaic segments:

- 10% of Central Beds customers
- Propensity to channel shift – High

E

H



Age: 18

I'm not really sure what to do after my NVQ at college, but I want to find a job so I can be independent. My parents say I'll have look after my student loan myself but I don't know where to start.

Characteristics

- Steve is transitioning from secondary education to either tertiary education or full time employment
- He may be a recipient of services that have been applied for on his behalf by parents or guardians
- He is unlikely to take advantage of services proactively
- He may be looking to move out of the family home

Needs

- Steve receives education financial support
- He may use community, education services and youth services – i.e. sport/ volunteering/ part-time jobs
- He would benefit from coming-of-age type information and life advice, as well as career guidance







Preferences


- Steve will go to the website to get information when he needs something. But never uses it to find out “what’s going on” around Bedfordshire
- He uses the internet a lot (from his computer and his phone) and doesn’t find the council site to be up to snuff with the other sites he frequents
- Avid user of social media

Shift propensity

- People such as Steve are moderate to high users of all internet functions
- He has a high-specification computer and a high speed broadband
- Would prefer to do as much as possible without speaking to people, and therefore the internet is his preferred channel of accessing information and applying for services

What does this tell us

Customer	%	Est annual contacts	Channel	Channel shift Propensity	Environmental	Planning	Council Tax	Transport	Children's	Housing	Adults
	17%	265,000	Telephony	High	█			█	█		
	14%	215,000	Telephony	Medium	█	█		█			
	16%	250,000	Telephony	High				█	█		█
	13%	200,000	Telephony	Medium			█	█	█	█	
	7%	110,000	Telephony	Low			█	█			█
	10%	155,000	Telephony, F2F & Web	High						█	

 = likely touch points with CBC



Customer access today

Customer access today

Customer Access

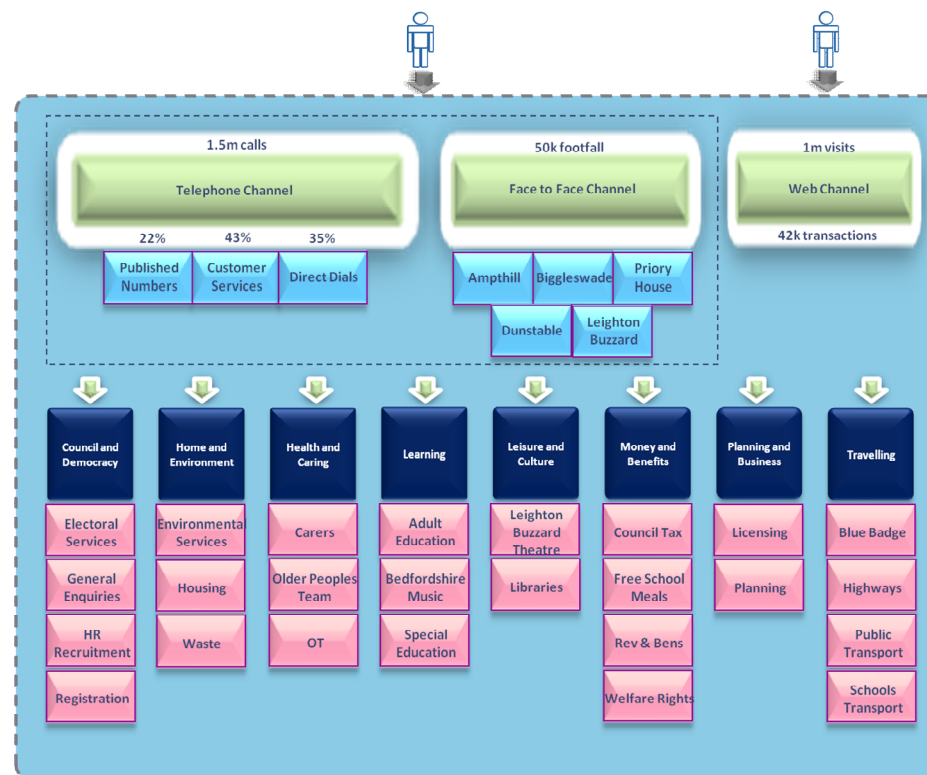
- The illustration opposite provides a view of how customers currently access council services through multiple channels and access points

The analysis identified the following key insights:

- The council receives an estimated 1.5m telephone contacts from customers and 50k face to face contacts a year
- 42k transactions are carried out through the council's website
- Access to service differs by channel and service department, and there is limited opportunity for self serve
- The majority of customer contact passes through the contact centre or back office service departments

The implications of this insight:

- The customer experience is not consistent across channels and customers cannot easily switch to self serve due to a lack of capability
- Customers are navigating internal processes to access services (e.g. calling the contact centre to be transferred to the appropriate department)
- Customers may have to provide the same information multiple times to different services



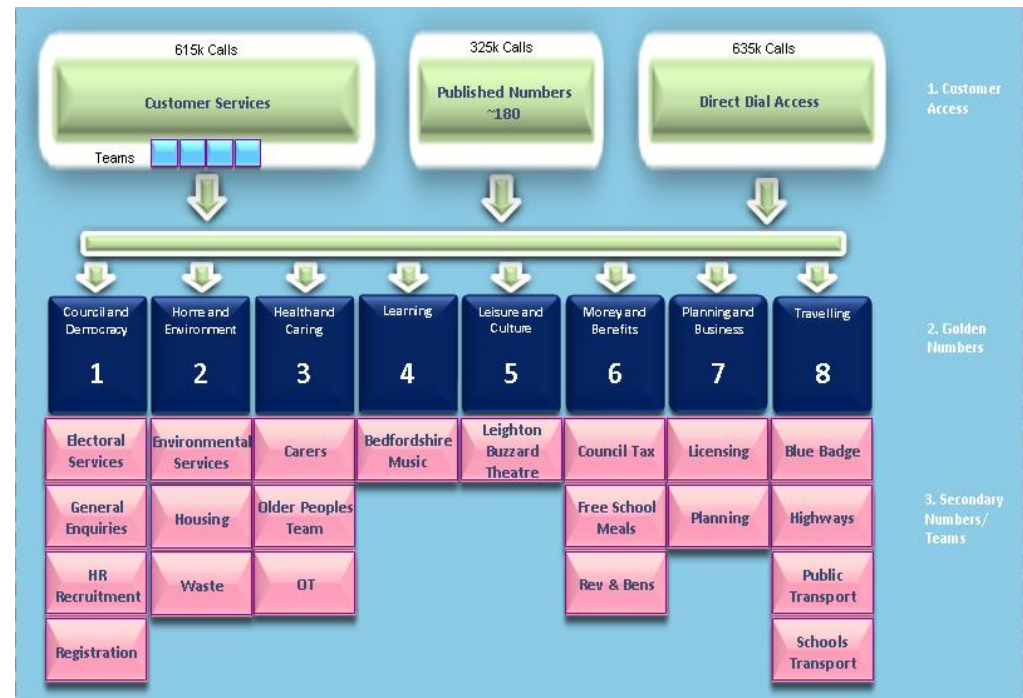
Customer access today: Telephony

Customer Access – Telephone Channel:

- The illustration opposite provides a view of how customers currently access council services through the telephony channel

The analysis identified the following key insights:

- Customer telephone contact volumes are estimated at 1.5m per year, of which approximately 650k pass through the contact centre
- The telephone channel is the current channel of choice for Central Bedfordshire's customers
- Customers can access services through approximately 180 published numbers and 8 golden numbers
- The contact centre is split into multiple teams that are organised from a service perspective
- Approximately 60k calls to the contact centre are for a named person or department and are transferred
- Over a third of calls to the contact centre are resolved at the first point of contact
- 70% of calls to the contact centre are answered within the target time of 30 seconds
- At peak times, customers can sometimes be expected to wait for 20 minutes or longer to receive service
- 8% of customer calls into the contact centre are currently abandoned before they are answered
- Customer enquiries which are resolved at the first point of contact are largely done so by providing basic information



The implications of this insight:

- Telephony is the default channel for interacting with customers
- Customers have multiple phone numbers to access different services, and they may not be aware of the correct number to use
- The large proportion of calls which are for named individuals are contributing to higher waiting times and abandonment rates
- The provision of basic information via alternative channels, coupled with supporting communications, has the potential to migrate significant traffic to lower cost channels

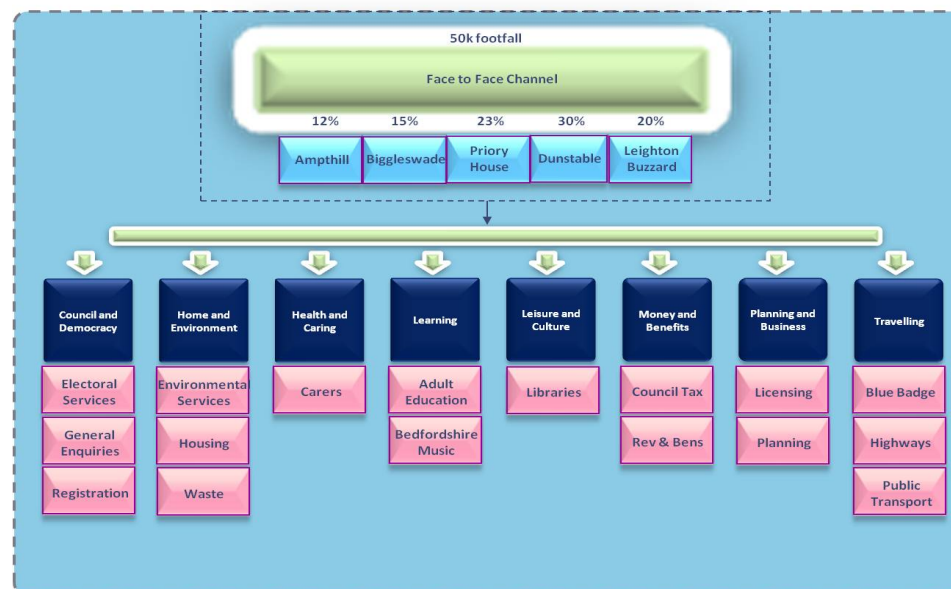
Customer access today: Face-to-face

Customer Access – Face to Face Channel

- The illustration opposite provides a view of how customers currently access council services through the f2f channel

The analysis identified the following key insights:

- Customer f2f contact volumes are estimated at 50k per year
- The f2f channel is the second channel of choice for Central Bedfordshire's customers after the telephony channel
- The council currently provides f2f services through 5 locations
- Enquiries that cannot be dealt with through the initial f2f contact are passed to the back office
- The estimated cost of each f2f enquiry is between £7.56 and £20.46, varying by location, with an average cost of £10.47
- Approximately 50% of f2f enquiries are resolved at the first point of contact
- A large proportion of f2f enquiries are council Tax and Housing Options related queries



The implications of this insight:

- Many different services require a basic provision of face to face access, with more complex enquires requiring multiple contacts to be resolved
- Customer enquiries which are resolved at the first point of contact are largely done so by providing basic information
- Customers are sometimes referred to the back office via telephone, negating the need for the f2f visit
- The council could improve service access through alternative channels so that customers have greater choice and can reduce their dependency upon the f2f channel

Location	Av Cost per Transaction
Ampthill	£20.46
Priory House	£7.66
Biggleswade	£7.56
Watling House	£9.06
Leighton Buzzard	£8.54
Average	£10.47

Customer access today: Web

The Channel Shift Strategy will build on work already carried out on the new CBC website. The new website (due to go live shortly), which is based on refreshed content, an enhanced search capability and new functionality will provide the basis for further development to ensure transactional services are completed online.

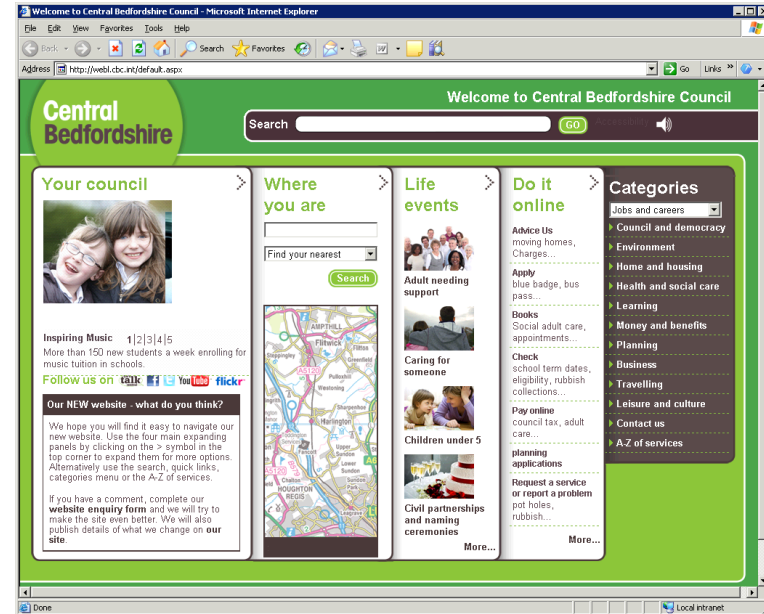
What needs review:

The following issues will have to be considered as part of the project:

- Searches often ends with information rather than a transaction
- Limited transactional content leading to a low number of transactions completed online
- Submission of e-forms is via 'print and post'
- Details submitted online or via 'print and post' are re-entered in the back office, resulting in high levels of duplication
- Complicated forms – often abandoned before completion

Key data:

Approximately 1 million visits to the site per annum
On average, customers spend 5 minutes navigating the website, and view 4 or 5 pages each time they visit
Approximately 42k transactions are completed online (payments and appointment booking)
few services allow for the use of intelligent forms or payments via the website



Implications:

Web transactional usage is very low when compared to the number of site visits

Central Bedfordshire residents are unaware of online options and information available

Additional back office workload is created as a result of limited intelligent form integration

Scope exists to increase payment, bookings and intelligent form capabilities across multiple services

A strategy of migration with supporting communications has the potential to migrate significant traffic to this underused channel

Customer access today: Successes and challenges

Customer access **successes** at Central Bedfordshire Council include:

- Multiple outreach facilities enabling face-to-face contact with customers
- Established customer contact centre featuring highly skilled operatives
- Comprehensive training packages for advisors
- Introduction of Golden Number Strategy, enhancing the customer experience by delivering a contact to an appropriately skilled advisor
- Promising initial take up of Golden Numbers by customers
- Redesigned website providing clearer and more user-friendly navigation to be launched in November/December 2011
- Content review of online material producing more succinct information
- Mosaic customer insight is used to provide a good understanding of Central Bedfordshire's population

Customer access **challenges** at Central Bedfordshire Council include:

- Designing a council wide target operating model capable of meeting future challenges
- Improving website functionality and creating opportunities for self service
- Technology platform not currently capable of accommodating new strategy – there is a need for the end-to-end application of technology to processes
- Lack of a single customer system (CRM)
- Increasing customer awareness of contact channels and numbers to reduce avoidable contact
- Face-to-face locations are historic and are not necessarily the best fit for our populations needs
- Providing the resources and ICT capacity required to deliver the projects identified as a part of this project
- Increased financial and efficiency challenges across the council
- Corporate buy in to the channel shift vision
- Buy in from services and service managers where channel shift benefits are identified
- Overcoming silo based transformation and reengineering back office processes
- Recruitment lead time for new services



Transforming customer access

Target operating model

Introduction:

- The illustration opposite provides a long term view of the proposed Customer TOM for the council

Key points:

- All customer contact and will be managed through three key access channels
- Customer contact will fall into the categories of 'transactional' or 'information based' enquiries
- The majority of simple transactional contacts will be resolved through the web and telephony access channels
- Front office teams will be multi-skilled around 'customer needs' (bundles of services)
- We will take into account the varying needs and capabilities of customer in accessing different services

Rationale:

- The strategic and design principles have been applied in the development of this TOM

The implications of this insight:

- The customer experience will improve and be consistent across channels
- All council services will be accessible through single points of contact
- The majority of enquiries will be resolved within the lower cost web and telephony access channels
- The customer will not need to contact multiple teams to access different services



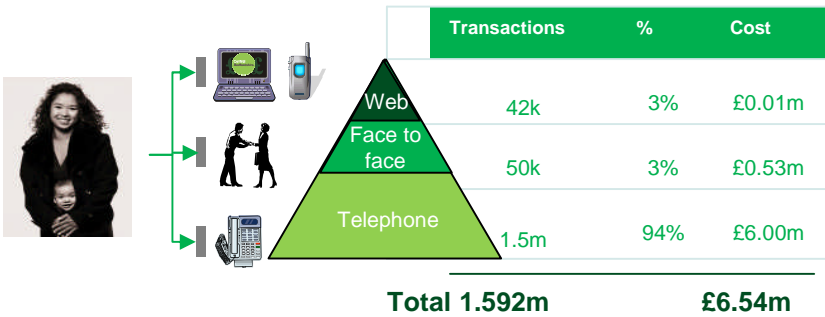
- The customer will be able to resolve most enquiries at the first point of contact but can also be handed off to the back office professionals when appropriate
- The funnelling of customer contact will provide a richness of management information to support service delivery improvements in the future
- The council will realise the full potential in terms of contact resolution and resource economies of scale



The business case

Illustrative summary of business case

How Central Bedfordshire Customers are currently accessing Council Services



The Impact on the customer

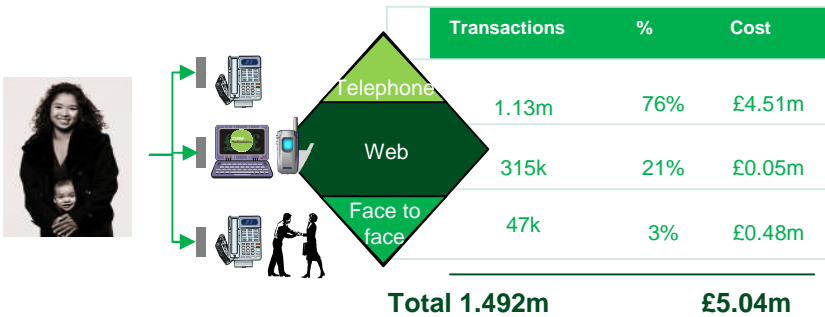
- Limited access to council services
- Access generally limited to office hours
- Waiting times result in poorer customer experience
- High proportion of telephony customers are likely to be willing to switch to a cheaper access channel
- Web is preferred channel of majority of Central Bedfordshire residents

How to reduce this cost and improve customer satisfaction

1. Design and Service Migration
2. Channel Shift
3. Avoidable contacts

The impact this will have on channels and customer satisfaction

How Central Bedfordshire Customers will access council services in the future



The Impact on the customer

- £2.8 m cumulative gross benefits after 3 years from a £1m investment
- £1.5 m annualised recurring benefits after year 3
- Services grouped to meet the needs of the customer, not the internal needs of the organisation
- All channels aligned and delivering a consistent level of service and information
- A council truly designed for its citizens

Benefits overview

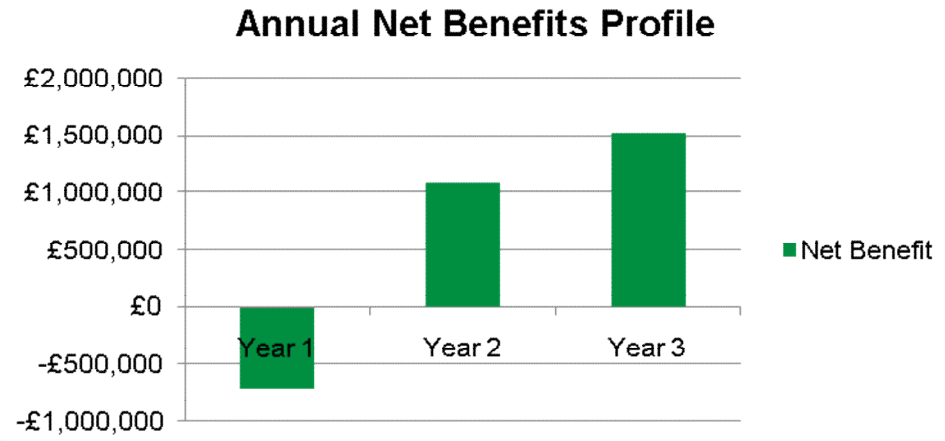
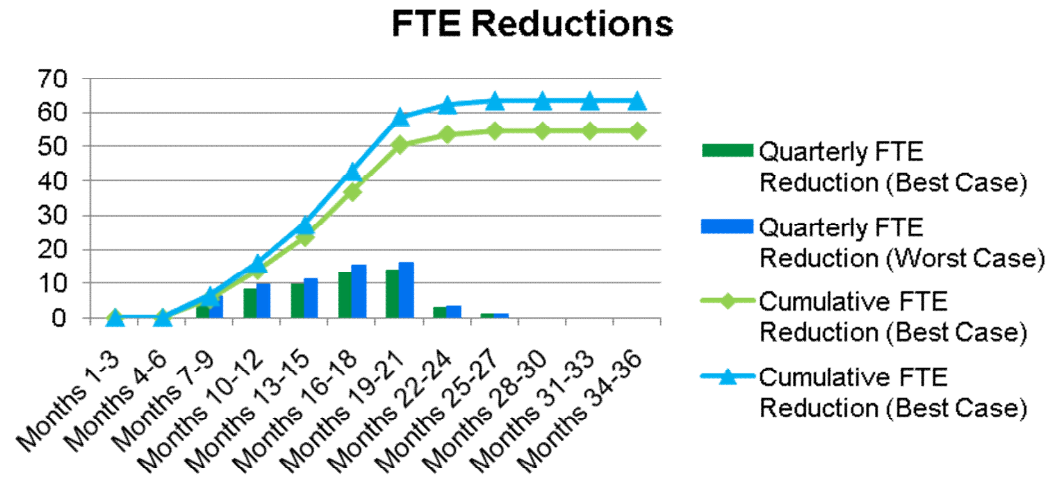
The chart to the right outlines the transitional reduction in FTE's that will take place due to implementing the 3 phases listed below as one integrated project of work

- Design and Service Migration
- Channel Shift and Web Re-design
- Avoidable contacts

Central Bedfordshire Council anticipates that it will generate approximately **£1.5m in annually recurring benefit after 3 years**

The second graph represents the anticipated net direct benefits that project will generate over 3 years

The cumulative effect of these net benefits over the duration of the 3 year project amounts to approximately £1.9m



Summary of project phases

1

Design and Service Migration

This project will focus on redesigning processes to enable efficiencies driven by simplification and standardisation across services and channels.

The project will primarily focus on processes within:

- South Beds Housing
- Planning/development control
- Council tax payments
- Highways
- Waste
- Leisure
- School transport
- Bus passes
- Free school meals
- General enquiries

Detailed design will identify which processes within these service areas are in scope for service migration.

2

Channel shift & web redesign

This project will redesign the council web presence to take advantage of the new processes enabling online data collection through electronic forms, more automation, increased self service and a more personalised, consistent customer experience.

This phase of the project will deliver improved web functionality, which will result in an enhanced customer experience, whilst transacting with the council online. Front end and back office systems will be integrated to ensure transactions are automated, and remove requirement for services to manually process.

The IT solutions for this phase will be scoped and specified during the detailed design stage of the project.

3

Avoidable contacts

This project will make use of the redesigned web presence and standardised processes to enable more self service, more “One and done” transactions and deliver consistent, accurate information, reducing reliance on telephone and face to face channels.

Staff will use the public website to transact in their day to day work to ensure it is fit for purpose and make improvements as required. Where appropriate the web will become our default channel of choice.

This project will make use of the improved web presence and processes to integrate front and back office systems.

Repeated ‘failure demand’ will be avoided through the implementation of continuous customer improvement processes.

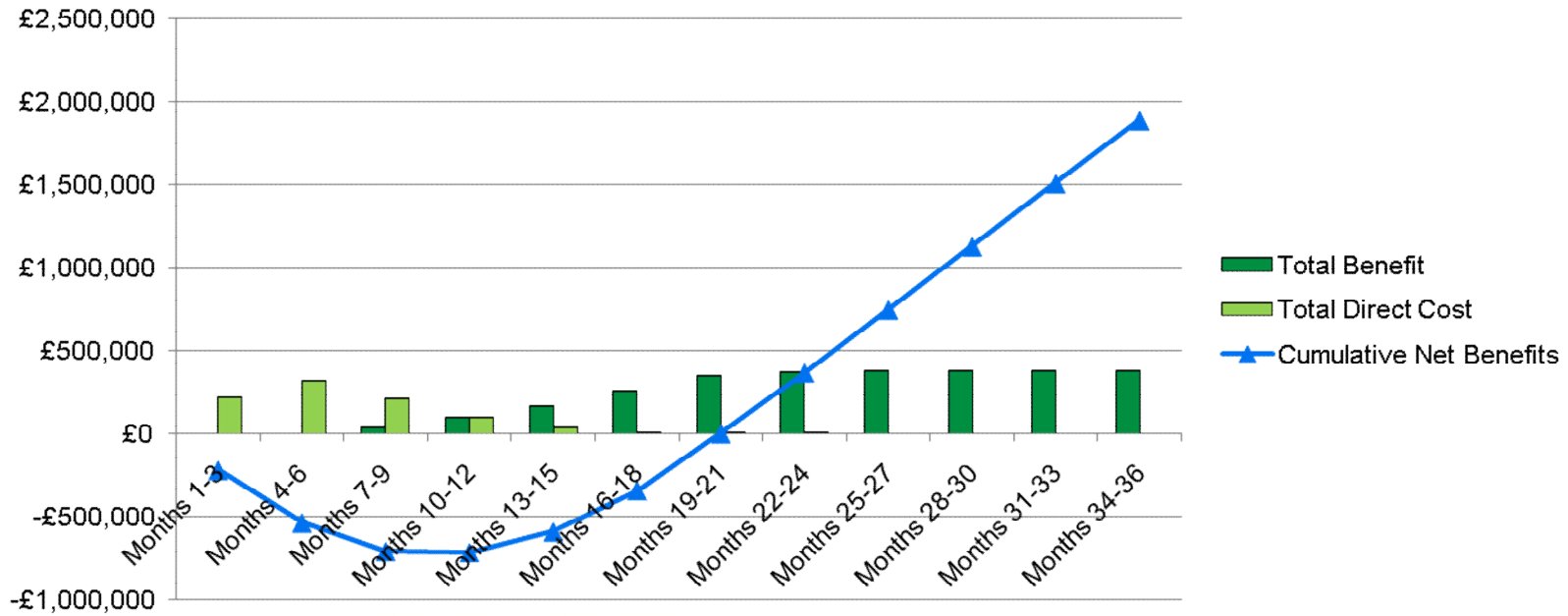
Cost/benefits profile

The graph below provides an overview of the benefits, costs and cumulative net benefits generated by the project over the 3 years.

The majority of the investment required to fund the project is expected to be spent within the first 15 months, with the benefits realised per quarter expected to begin exceeding the costs after 12 months.

It is anticipated that the initial outlay required will be recuperated after approximately 21 months, with the cumulative net benefits of the 3 year project equalling approximately £1.9m, with a cost reduction of £1.5m per annum achieved once the project has been completed.

Cost/Benefits Profile

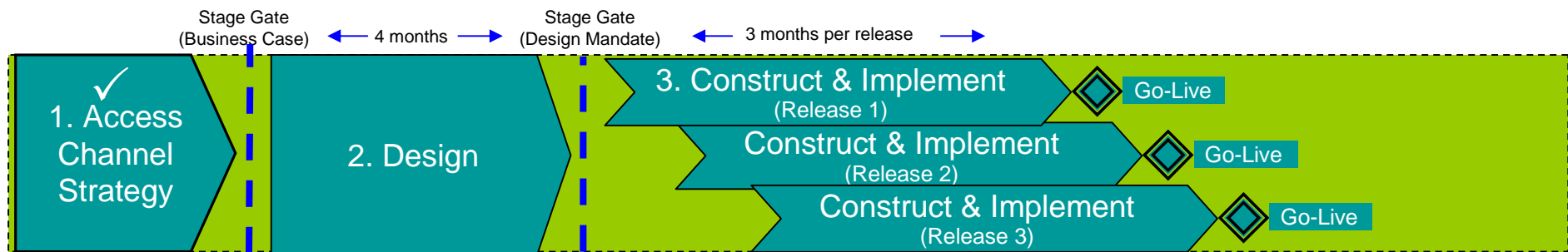




Delivering the benefits

Approach to delivering the change

The illustration below sets out the logics stages required to implement a Council wide channel strategy. Given the numerous components and complexity of implementing these changes, it is critical that a 'whole-Council' approach is adopted to the delivery and management of benefits through this programme of work. To provide more granularity as to what this means in terms of actual releases and service impact, see the information provided below.



1 Access Channel Review and Strategy: The Council has completed analysis of the current customer operating model and the development of a customer target operating model and high level business case.

This has driven a set of recommendations for the future configuration of customer access channels, focussing on the:

- phased migration of services and fulfilment depth in to the front office Web Channel
- Logical correlation and service bundles and recommended configuration of front office channels
- Channel shift and avoidable contact recommended programmes of work

2 Design happens once and considers the whole Council transformation required to support the front office migration plan. This is a whole Council design, driven through the customer management function.

It provides the baseline design (shape and size) for all future project stages for all Council services (HR, OD and outline process requirements)

Any Front office technology procurement
Refined business case and Release Plan.

It provides a mandate to proceed based on clear understanding of the change.

3 Construct & Implement is completed for each Business Release leading to a sequence of implemented changes and realisation of benefits.

The approach and timing will vary according to the scope of each individual Release and its schedule in the overall transformation plan dictated by the Council Wide Design stage.

Delivering the recommendations

Ensuring Success

- There are a number of critical success factors that should be considered before assessing the requirements to move these recommendations forward:

Customer access design

- This project has reviewed access channels and explored the opportunities to move appropriate contact onto the Web Channel at a high level. A full council design is required to ensure the new shape and staff migration plans are defined for customer access. Without a whole council (front and back office) approach to change, the council will not be able to manage the full benefits realisation associated with these recommendations

Web-Redesign

- All recommendations associated with channel shift are dependent on a customer focused, transactional web-site. To successfully implement channel shift, and key components of the avoidable contacts recommendations, customer driven and structured improvements to the web-site, including presentation and transactional changes must continue to be made, following the first release in early 2012.

Service Support

- Front Office change projects rely on the support and participation of the in-scope services. Dedicated and supportive representatives are required from services to ensure successful transition of processes in to a common front office environment across channels

Channel Governance

- Fragmented channel management and strategies do not lead to a harmonised customer experience for customers. The benefits to be gained from a unified Channel Shift Strategy can only be delivered if the vision is supported across the council, resulting in one integrated project of work
- A good customer experience can only be delivered through common processes, consistent information and management across all channels
- Strong project governance is required, including senior sponsorship

Where do we go from here?

- The next logical stage following this project is to design the changes and enable configuration
- Design happens once and considers the whole council transformation required to deliver the benefits described in this business case.
- The design provides the baseline design (shape and size) for all future project stages for all council services in scope of this project (HR, OD and outline process requirements)
- It allows for any front office technology procurement
- It provides a mandate to proceed based on clear understanding of the change
- Agree the impact on the medium term financial plan

Enabling the change

This business case focuses on the development of and transition to the Web Channel. However, there are other core technologies that will have an impact on the delivery of the benefits. The following table describes the other core technologies that are key dependencies for delivering the broader goals of the Channel Shift Strategy:

Enabling technology	Commentary
CRM	A Customer Relationship Management tool is the “Glue” that pulls together the Customer Service Centre technology infrastructure, providing a single consistent view of the customer and their interactions with the council. A separate project and business case is addressing the implementation of CRM, but the Web channel needs to be fully integrated to realise the maximum benefit from the CRM technology investment.
Workflow	A workflow tool will allow automation of processes and ensure that transactions and information are delivered to the right person at the right time, and allow automated escalation when necessary. Again, it is envisaged that the Web channel will make use of workflow to automate transactions and interactions with customers as much as possible.
Back Office Integration	To gain maximum benefit from the Web channel and avoid errors, wherever possible this channel should be integrated into the relevant back office systems to remove double entry of data and speed the processing of online transactions.
ECM	An Electronic Content Management System allows media of various formats to be scanned and stored in a secure and accessible way. Media can include electronic documents, scanned images or paper documents, proof of eligibility etc. ECM allows supporting media to be made available to those that need to review it in order to process or complete transactions, and the ability to upload from the Web channel may be desirable for some processes.

Release plan and business case

The plan for migration towards the channel shift will take place over 18 months and up to 3 releases

The benefits realisation profile will map the project over 3 years to account for the lag in releasing all associated benefits

Planning the sequence of changing services is critical to successful transformation. The following factors were considered in development of the Release plan:

- Cash flow – prioritising the quickest benefit releasing services to maximise cost savings during the 3 year project
- Risk - it may be prudent to migrate high risk services later in the project when new ways of working and technologies are established, and practices for implementing change are more developed
- Length of time required to implement change – considering existing infrastructure and in-flight projects
- Controlling impacts on departments - to minimise risk to business-as-usual operations during change
- Political sensitivity - internal and external
- Complexity - and dependencies on specific technology enablers
- Impact on the council's general fund and the imperative to improve the revenue account



Next steps

Next Steps

- The Customer Contact Target Operating Model and Business Case set out in this pack have been developed following a high-level investigation
- Once the direction of travel is agreed, the next stage is detailed design. This provides the baseline design (shape and size) for all subsequent project stages
- This typically takes 3 months to complete and uses a workshop based approach to minimise the impact on staff time

During the first 3 months of the Customer Access project, the following key activities will be completed:

- **Detailed Design Deliverables**
 - Detailed customer segmentation and channel strategy
 - Analysis of current ways of working, volumes and issues
 - Services and processes in scope for migration
 - Posts in scope for migration
 - Technology improvement and development plan
 - Detailed Release Plan
 - Validated Business Case and benefits realisation plan