

Project Documentation

**POST PROJECT EVALUATION DOCUMENT
(PPE)**

Revenues, Benefits & Customer Services

Service Review Project 2017/18

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Document History

Revision Date	Version	Summary of Changes	Reviewer(s)
26/03/19	1.1	First draft	Andy Buckley
15/4/19	1.2	Comments from relevant Divisional Managers	Diane Kirkham & Fiona Delahunty
24/4/19	1.3	Performance tables updated to reflect 2018/19 performance data	Andy Buckley

Consideration by the Corporate Improvement Team

Date	Reviewing Officer	Comments for Consideration
9/5/19	Andy Buckley	Not applicable – PPE prepared by Corporate Improvement Team

Approvals

This document requires the following approvals:

Name of person, group or committee
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Distribution

A final copy of the approved document will be distributed to:

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Diane Kirkham	Revenues & Benefits Divisional Manager
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Glossary of Terms

PID – Project Initiation Document

PPE – Post Project Evaluation

CSC – Customer Service Centre

R&B – Revenues and Benefits Service

Back Office – the office where the administrative and technical work is carried out, as opposed to dealing with customers

Channel Shift – moving customer contacts and transactions from more expensive options (telephone, face-to-face contact or letters) to less expensive options (online self-service, self-service through automatic voice recognition systems and self-service using mobile phone SMS messaging).

1. PURPOSE OF DOCUMENT

This document provides a review of how the Revenues, Benefits and Customer Services review project performed against the original intentions set out in the Project Initiation Document (PID).

It allows lessons learned to be passed on to other projects and ensures that provisions have been made to address all open issues and risks alongside follow on actions and recommendations where appropriate.

It also provides the opportunity to assess any expected outcomes that have already been achieved and/or provide a review plan for those outcomes yet to be realised.

2. ORIGINAL PROJECT DESCRIPTION

The project was broken down into the following key work-streams:

- The implementation of new R&B software that enables a significant increase in self-serve functionality for the customer.
- The transfer of R&B face to face enquiries and telephone calls from the R&B back office into the CSC.
- A review of R&B back office processes to identify improvements, generate efficiency savings and maximise performance.
- The identification of future year reductions in customer service staffing levels through proactively managing how customers interact with the Council.

3. PROJECT OBJECTIVES

3.1 Outputs

The expected outputs of this project were as follows;

	Output	Delivered
1	New Northgate self-serve software modules	✓
2	Transfer of customer support role from revenues and benefits to customer services	Amended-see para.6
3	Revenues and benefits process redesign	✓

3.2 Outcomes

The Customer / Community

Outcome		Delivered
1	Through the enablement of e-solutions customers would be able to update their own accounts/claims directly in the back office database. These changes would reduce handling and manual inputting in the back office and contribute to bills and benefit claims being processed in a timely manner and with a higher degree of accuracy	✓

People (CDC staff)

Outcome		Delivered
1	Transfer of customer-facing staff from R&B to the CSC	Amended-see para.6
2	Reduction in overall staffing levels across both services	✓
3	Redesign of R&B back office structure and service delivery	✓

Service Performance

Outcome		Delivered
1	Maximise business rates collection performance	See para.3.3
2	Maximise council tax collection performance	
3	Maximise benefits processing performance	

Financial

Outcome		Delivered
1	Cashable efficiency savings to support the Council's deficit reduction plan	See para.4.2
2	One-off setup costs to procure new software and pay for possible staff redundancies	See para.4.1

3.3 Outcome Measures

Service Performance – R&B

The table below compares performance for 2017-18 for the R&B service for both CDC and the other West Sussex districts and boroughs, then reports actual performance for 2018-19 against the targets identified in the review.

Measure	Measure Criteria	West Sussex Average 2017-18	CDC Actual 2017-18	CDC Target 2018-19	CDC Actual 2018-19
Council Tax Collection Rate	Percentage collected	98.3%	98.4%	98.2%	97.8% (see n1)
NDR Collection Rate	Percentage collected	97.6%	97.8%	98.2%	97.2% (see n2)
HB Processing – New Claims	Average days taken	22 days	19 days	15 days	15 days
HB Processing – Change Events	Average days taken	9 days	8 days	7 days	9 days
CTR Processing – New Claims	Average days taken	N/a (see n3)	22 days	15 days	21 days (see n4)
CTR Processing – Change Events	Average days taken	N/a (see n3)	9 days	7 days	9 days (see n4)

Note 1 (n1) – Council Tax collection rates are lower due to many more customers choosing to pay over 12 months rather than the statutory 10. Recovery cycles for anyone paying late on these instalment plans cross over into the new financial year. Overall collection is likely to exceed 99% over time.

Note 2 (n2) - NDR collection rates have reduced due to several large companies closing down their Chichester presence, and a payment of £120k from HM Courts which was due to be received by 31st March but due to technical problems could not be released by their bank in time.

Note 3 (n3) - Other West Sussex authorities do not collect performance measures for CTR claims. CTR is a local scheme and does not attract any national performance measures.

Note 4 (n4) - Unlike HB claims there are no facilities to cleanse CTR claim data. HB/CTR claims received at the same time are processed together. The outturn figures for HB new claims and changes are more indicative of the actual time taken to process CTR claims. The targets for 2019-20 have been amended to reflect that CTR claims cannot be cleansed.

Service Performance – Customer Services

The table below shows the targets and progress for customer services. Unlike R&B there is no national set of performance indicators for customer services.

	Target Measure	Actual 2018-19
We will aim to see our customers within 10 minutes of arrival	80%	Replaced by target below
Average wait time for customers visiting reception	< 10 minutes	9 minutes & 3 seconds
Minimise the number of abandoned calls	5%	8% (see n1)

Note 1 (n1) – The average answered call wait time for 2018-19 was 64 seconds. There is a new target for 2019-20 that sets the expected average at 72 seconds, therefore 64 seconds is seen as a positive result for 2018-19.

Channel Shift - Revenues and Benefits

Significant investments were made in Northgate IT software to make the R&B service more accessible to the customer, alongside this processes were redesigned to ensure that service delivery was modernised and efficiencies were maximised.

The benefit to CDC from this exercise was a reduction in costly face to face and telephone customer contact, these reductions were estimated at 20% in year 1 (2018-19) and 10% per year thereafter, those estimated reductions were built into the revised staffing structure. Performance against those targets are shown below.

	Telephone		Face to Face	
	Targeted reduction	Actual reduction	Targeted reduction	Actual reduction
Benefits	20%	22% overall (April to Oct)	20%	26%
Taxation	20%		20%	17%

Channel Shift - Customer Services

Customer Services channel shift targets were set at an annual 5% reduction for both telephone and face to face visits.

	Telephone		Face to Face	
	Targeted reduction	Actual reduction	Targeted reduction	Actual reduction
Customer Services	5%	15% (see n1)	5%	3% (see n2)

Note 1 (n1) – The number of parking fines and planning applications have reduced, this will have had an impact on the number of calls received.

Note 2 (n2) – There has been a 15% increase in the number of taxi enquiries received in reception. The CSC has also taken two additional services during 2018-19; littering and payments for housing and revenues, these are new interactions that have been taken on whilst still delivering an overall reduction in face to face visits.

4. PROJECT COSTS

4.1 Project Delivery Costs

The estimated cost to deliver this project was £326,543 and included a 10% contingency allowance. Actual costs upon completion of the review were £360,776, an overspend of £34,233 (or 10.5%) against the budget.

The breakdown of actual compared to budgeted costs is included below. It shows on the controllable elements of the budget that costs were contained and estimates were sound.

The initial PID outlined the risk that redundancy estimates were based on the average cost of redundancy multiplied by the estimated reduction in staff. It made clear that this figure could fluctuate greatly depending on which staff ultimately left. The table below shows that actual redundancy costs were £223,862, this equates to an overspend of £79,781 on this portion of the budget. Excluding the redundancy costs the remaining expenditure was £45,548 under budget.

One-off Delivery Costs

	Estimated Cost	Actual Cost
R&B IT		
- Northgate software and additional licences	£43,150	£35,150
- Northgate service days	£10,000	£12,000
- Upgrading print software	£20,000	£19,900
	£73,150	£67,050
CSC IT		
- Additional R&B licences	£6,850	£6,850
- Contact+ MacFarlane phone software	£22,150	£16,200
- IT Equipment – screens and scanner	£7,038	£3,448
- Additional telecommunications capacity	£7,000	£6,624
	£43,038	£33,122
Staff costs		
- Staff redundancies	£144,081	£223,862
- 6 month secondment to project for 2 R&B staff	£32,588	£32,692
	£176,669	£256,554
Other		
- Training	£4,000	£1,400
- 10 % contingency	£29,686	£2,650
	£33,686	£4,050
Total estimated one-off delivery cost	£326,543	£360,776

4.2 On-going Costs Following Project Completion

The table below summarises all of the ongoing costs and savings resulting from this project. The majority of these were achieved in 2018-19, with further channel shift savings expected in 2019-20 and 2020-21. These adjustments combined for an estimated budget reduction of £223,608 by the financial year 2020-21 when compared to the base budget for 2017-18.

Impact on Council's Revenue Budget (compared against 2017-18 base budget)

	2017-18	2018-19	2019-20	2020-21	Costs/savings to date
- Northgate S&M	£37,750	£37,750	£37,750	£37,750	£27,642
- Additional IT licences	£3,370	£3,370	£3,370	£3,370	£3,370
- Channel shift staffing savings	£0	-£71,010	-£95,250	-£117,778	-£73,713
- R&B back office staff restructure	£0	-£148,358	-£148,358	-£148,358	-£135,355
- Other	£1,408	£1,408	£1,408	£1,408	-£3,140
Total on-going costs / savings	£42,528	-£176,840	-£201,080	-£223,608	-£181,196

5. PROJECT PLAN

Project Stage	Scheduled Completion Date	Actual Completion Date	Comments
PID and to Council	7-Mar-17	7-Mar-17	
Finalise R&B software support contract	31-Mar-17	14-Mar-17	
Citizens Access go-live	1-May-17	12-Mar-18	CA-Bens live Nov 17, CA-Revs live Mar 18
Rollout Customer Service telephone solution to R&B (to include IVR)	31-Jul-17	1-Feb-19	
Revenues enquiries transfer to Customer Services	31-Oct-17	Tbc	Now scheduled for 2020
Benefits enquiries transfer to Customer Services	31-Mar-18	Tbc	Now scheduled for 2020
New Northgate modules implemented	31-Mar-18	31-Mar-18	Customer-facing modules live Mar 18
Customer services staff reduction (phase 1)	31-Mar-18	31-Mar-18	
Revenues and Benefits back office staff reduction	31-Mar-18	31-Mar-18	
Customer services staff reduction (phase 2)	31-Mar-19	31-Mar-19	
Customer services staff reduction (phase 3)	31-Mar-20	Tbc	On schedule
Post Project Evaluation to Cabinet	31-Dec-20	Tbc	Scheduled July 19

6. PROJECT MANAGEMENT PROCESS

Revenues and Benefits is one of the largest services within the council and was therefore the main focus for the project. The project was managed and delivered in-house within a 12 month timeframe. Internal resource was allocated from the Corporate Improvement Team and from within R&B, the CSC and IT, with some backfilling required of two R&B staff that were temporarily seconded to the project.

In the main this approach proved successful. The targeted revenue savings were significant so fundamental change and a redesign of the service was required. The management teams for both services were fully involved and crucially were open to challenge and to the idea of change in the way their services were delivered.

Staff were engaged with the project from the start and during the lengthy consultation and recruitment process managers maintained effective communication throughout. Due to staff experiencing a further period of uncertainty following the shared service exercise there was understandably some resistance, however most staff became involved in the process mapping and were encouraged to be open minded and innovative in the development of new approaches. The professionalism and commitment of those involved was both useful and appreciated.

A period of three months was set aside to complete the process mapping exercise, prioritising those areas where customers were going to interact with online services and/or where the current process was either too lengthy, complicated, or where it impacted on or created delays in other teams. Following this piece of work a new staffing structure was developed that focused on the future needs of the service and compared the new processes to the existing structure to identify efficiency savings.

External support was required to upgrade the R&B (Northgate) and Customer Services (MacFarlane) IT systems and to implement the new modules. Some internal IT support was also required, this was not fully factored into the project timetable so this occasionally impacted upon delivery within agreed timescales.

Alongside the delivery of online services, and in order to achieve channel shift targets, improvements were needed to the content of service pages to make it as easy as possible for our customers to access information on the website. The R&B staff seconded to the project worked with the Web team to fundamentally redesign the website, the results were very successful but the new website went live in April 2018, five weeks after the annual bills were issued. Ideally this work would have been completed in advance of the annual billing process to maximise the opportunity for customers to start using the new online services.

The timing of the implementation and transition arrangements could have been improved upon. Going live with a new structure and new ways of working when business critical functions of annual billing and end of year processes had to take precedence put additional strain on the service which impacted upon performance and the service provided to customers. The scheduling of the implementation was difficult as there was a long recruitment process that had to take place, the alternative would have been to delay for approximately 6 months, delaying the cashable efficiency savings but keeping performance at an acceptable level.

Transition arrangements allowed for one senior member of staff to operate outside of the new structure to support implementation for a period of 3 months, but the timing of the implementation, coupled with the training needs of staff stepping into different roles, meant that this 3 month allowance was insufficient to fully support the transition to the new structure and new ways of working. A more effective approach would have been for the independent Corporate Improvement Team and one or two senior R&B staff to have provided continued specific support for a period of three to six months to oversee the implementation of new ways of working, allowing the new staffing structure to take shape and focus on managing and delivering the service.

The PID included transferring R&B customer contact into Customer Services. As the project developed it was felt that due to the complexity of the enquiries a better approach would be to create a devolved Client Support Team that remained within R&B. The effectiveness of this structure has been kept under review and has shown that the service has not been able to maintain expected customer response standards whilst also processing the lower level back office work. Backlogs, failure demand and complaints increased, so after further review it has now been agreed to revert to the initial plan by separating customer contact and handling it within Customer Services, with only the more complex queries remaining in the back office along with the low-level processing work.

Lessons learned summary

- Service management buy-in is essential, being open to challenge and change.
- Effective staff communications must be maintained throughout.
- Managers must be prepared to have open and sometimes difficult conversations with staff, understanding the impact on them during periods of uncertainty and working to reassure them wherever possible.
- Sufficient resource and time must be allocated to cover all aspects of the work involved to deliver the project. This should include being prepared to reallocate resources should the need arise.
- Backfilling of posts that had been seconded to the project proved very difficult, especially where experience and detailed subject knowledge was required. Agency staff were used for some of the time, but this can be expensive and occasionally more difficult to manage.
- IT requirements, even where they are speculative, need to be fully explored at the start of a project and factored into the PID.
- The timing of project 'go-live' dates needs to carefully consider the operational requirements of the service.
- Dedicated resource may be required following project implementation to ensure that changes in processes are embedded in a new structure.

The lessons highlighted above should help inform future reviews of what works well on a project of this type, as well as possible areas for improvement. The overall conclusion for this review is that it has been a success, delivering on ambitious and challenging financial targets whilst still maintaining a good service to our residents.

7. FURTHER ACTION

The transfer of Revenues and Benefits customer contact into Customer Services, now scheduled to take place during 2020. This is not expected to make any further financial savings, but is expected to improve the customer experience when interacting with the Council.

8. REVIEW PLAN

Annual targeted efficiency savings through investment in self-serve technology are built into the project plan until the financial year 2020/21. These have been outlined in paragraph 4.2 of this report and are still expected to be achieved through customer 'channel-shift' easing the demand on Council staff handling customer enquiries.