8. Digital Programme 2017/18

REPORT OF: HEAD OF DIGITAL AND CUSTOMER SERVICES
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Wards Affected: *All*
Key Decision: No
Report to: Scrutiny Committee for Customer Services and Service Delivery

Purpose of Report

1. This report provides the Scrutiny Committee for Customer Services and Service Delivery with a report on the digital programme endorsed by the Scrutiny Committee for Leader and Service Delivery on 8th September 2015 and sets out the priority areas for the next phase of the digital programme for 2017/18.

Summary

2. Digital in its widest sense refers to an approach to change which is often, but not always, enabled by digital and networked technologies. This change is both social (culture and behaviours) as well as technical (process design and infrastructure). Digital is not the point of the change but it can drive changes and support changes.

3. Modern technology does not, on its own, deliver a more flexible workforce or leaner business processes. However, without well designed, user centred, and increasingly open technology, initiatives aimed at creating a more flexible, responsive organisation that meets the needs and changing expectations of residents and customers and staff will not be achieved.

4. The first phase of the Council's digital work detailed in the Scrutiny reports of 14th September 2015, 8th December 2015 and in the Service Redesign report of the 14th September 2016, has been substantively implemented. This report provides examples of the service improvements and learning from this work.

5. The report also provides more detail on the priorities for the coming twelve to eighteen months. These represent the technical work required to support the service redesign priorities introduced in the Scrutiny report on Service Redesign priorities. They are:

   • Continued replacement of software tools as licensing for legacy systems comes to an end

   • Exploitation of new software

   • The next phase of infrastructure replacements and improvements

   • Mid Sussex website redesign (following on from the CenSus Revenues and Benefits redesign)

   • Developing and implementing a revised approach to service redesign using the learning to date.

   • Development and implementation, if agreed, to changes to the CenSus ICT partnership.

Recommendations

6. The Committee is recommended to:

   (i)   Note the work to deliver the Digital programme priorities undertaken in the past year and the outcomes; and

   (ii)   Consider the outline priorities for the Digital Programme 2017/18 that support the Service Redesign priorities for 2017/18 previously agreed by the committee.

Introduction

7. In 2015 Methods Digital were engaged to produce a discovery report to recommend an approach to current and future information technology needs of the Council. This approach was substantively adopted and summarised in the report to Scrutiny Committee for Leader and Service delivery on the 18th December 2015. It identified how the approach would be structured and implemented using a number of initial principles and technical projects to begin to meet these needs of the Council.

8. The technical projects for the past year have focussed on introducing: new technology that supports the Customer Relationship Management System (CRM), the Waste Systems and shortly the HR and Payroll Systems; and implementing some of the underlying technology to more fully exploit the Microsoft Enterprise suite of applications. This work has been done while also supporting the existing legacy (older) systems, infrastructure and introducing a new asset management system.

9. Delivering these projects has required capacity building. This has been through developing skills, experience and knowledge within various teams including the CenSus, Digital, Customer Contact and SERCO teams so that these technologies can be exploited. Additional expertise in process redesign, project management and third line technical support has also supplemented the work of these teams.

10. This work has also been the first step in simplifying the hardware and software that supports the Council's systems. This means the Council's systems will be more flexible and allow easier technical redesign of business processes and integration with other systems. Simplifying the range of the technology that underpins the Council's business systems has meant that better tools can be provided to staff which in turn facilitate service redesign. Simplifying and modernising components of the ICT infrastructure has helped to provide a foundation for further changes to support how staff work. For example, Microsoft Office 365, which provides email, word processing and other productivity applications, can now start to be deployed to more staff. This follows the initial trial of its use with Councillors to provide an easier and more flexible means of access to emails, calendars and other tools. Among other benefits, this move will provide improved data management and security allowing a range of complex software to be retired.

Service Outcomes from 2016 to 2017 programme

11. Implementing the new CRM and waste systems are the first key components of improving customer service and process efficiencies for these services. These systems are able to provide real-time information to the Council, customers, and SERCO so that work can be completed more quickly, customer queries answered accurately and data used to manage the services more effectively. Importantly the platform on which the CRM is based can easily be developed to introduce and refine work processes and this work continues to ensure both changing customer needs are met and work practices can be modified. This work also means that, when linked to a revised website, customer demands can be managed more effectively allowing easier transition from telephone to web transactions.

12. Performance information shows that the new CRM and integrated waste system has delivered improvements. Using like for like periods, in the first quarter of 2015/16, 62% of calls were answered in 40 seconds. In the first quarter of 2016/17, the first period operating the new CRM, 79% of calls were answered in 40 secs. In the last reporting period (September 2016) the percentage of all calls answered in 40 seconds has achieved 86% with the percentage of calls to the switchboard answered in 40 seconds has achieved 89%. These improvements, as reported by the Cabinet member for Customer Service, have been delivered at the same time a temporary move for the contact centre and at a time of increased activity due to a number of referenda and licencing initiatives. This improvement amounts to, on average, additional call capacity of 380 calls per week due to shorter call processing times and the increased ability to provide information to customers at the first point of contact.

13. These headline improvements in performance are underpinned by a range of process changes the principles of which are being used to inform the next phase of work. For example, data quality and integrity for waste services has been substantially improved by introducing new ways of working. Data matching has shown that over 2,000 records were incorrect, resulting in a higher number of calls to the contact centre. The practice of cutting and pasting data from spreadsheets and the previous CRM meant manual data entry was a key part of the work processes. A spreadsheet could be reviewed and manipulated by up to three people multiple times on any given day. This caused duplication of information and errors in removing or updating each spreadsheet. These have been substantially eradicated and as the next phases of work are implemented the need to manipulate data using spreadsheets will be completely removed. For customers there will be 'one version of the truth' which will be accessible to the Contact Centre at the time of the call.

14. The street scene functionality, in its first iteration, has been in place and working from April 2016 and refinements have been made as users have worked with the system. For example, Street View has been added to contact centre screens so that more accurate location information can be collected from customers and authorisations and data views have been revised to reduce delays and keystrokes. Following the redesign of these processes the following improvements have been delivered:

15. Trial measures of customer experience and data to measures process flows have shown improvements been delivered through:

- Updates being available to customers in real time, for example information on why bins were missed or when work can be scheduled

- On average cases are resolved five times faster as information no longer needs collating on spreadsheets and can go directly to SERCO from the Contact Centre

- Reduced calls into the Contact centre through removal of incorrect/out of date records, for example address information

- Enabling target execution dates to automatically monitored and set

- Removal of data duplication has reduced the time taken to confirm key customer details

- Removal of duplication of staff effort as processes are automated. This has generated greater capacity within both the Waste Management Team and the Customer Contact Team

- Improvements in data protection. Permission to view customer details are only granted to certain individuals through Salesforce, as opposed to being held at risk on a series of spreadsheets

16. A necessary element of delivering these improvements has been reviewing the learning from this work. This will inform future activity and therefore improve the effectiveness of implementation. As detailed in previous reports, implementation has used and agile methodology which supports continuous learning throughout. While changes in process design and infrastructure are not without their challenges, culture and behaviours can be significantly more difficult to change. Often these are work practices that have been established over some time and this can be challenging for staff who have operated those practices. A key area of learning has been how to overcome challenges in changing work practice and changes in the service redesign approach will be used in the implementation of the tools available on the Microsoft Enterprise Site (Office 365). We will also be introducing the next phase of changes for the Waste Management Team ensuring new business processes become business as usual.

Efficiency gains cost reduction and cost avoidance from 2016 to 2017 programme

17. While there have service improvements the programme has also identified efficiency gains and areas where costs have been avoided over the coming months and years. The fall into three areas. Efficiency gains, cost reduction and cost avoidance.

18. Efficiency gains are typically as a result of improving processes so that time and other resources are used more effectively. This means tasks are completed more quickly, with fewer steps or not at all as they do not add value. While these efficiencies can be taken as cashable savings, and therefore be seen as cost reductions, this has not been the focus of this initial phase of work. Paragraphs 12 to 15 identify a range of efficiencies that have been used to improve capacity and services to customers. For example, the additional capacity in the contact centre generated by improved workflows has been used to improve response times and customer experience. As the programme continues these efficiency gains will be worked through with departments to identify those that could be cashable or used as productivity increases. The latter can be used to avoid future increases in costs typically in areas of service pressure. This is consistent with the approach detailed in the paper to scrutiny of the 14th September 2015 and in the Service Redesign report of the 14th September 2016.

19. Initial assessments quantify the capacity generated in the contact team as approximately 0.8 FTE contact staff and for the waste approximately 1.3 FTEs once the Garden Waste processes are in place. For the contact team this capacity has allowed better performance against all PIs as well as the capacity to take on proactive work, for example contacting people on health improvement programmes or processing canvassing work for the electoral roll. For the waste team this has allowed time to manage the changes in systems, data cleansing and project work for example rolling out the garden waste service and recycling improvement initiatives. As the systems bed in, office moves are completed and additional services included over the coming months we will review process improvement times and therefore efficiencies. Both of these service areas are seeing increasing demand and while the steps outlined in this paper will provide more opportunities to manage demand for the contact centre more detailed work will be required with the waste team to assess requirements linked to increased workloads.

20. Cost reduction at this point concerns reducing licencing costs, simplifying the range of applications used and reducing the costs of hosting and maintaining servers. Licencing cost savings have been reinvested in extending access to applications and to pay for an element of transitional costs of moving from one system to another. For example, for the same cost as the previous CRM (Lagan) licencing we have added licences for SERCO to use the waste system. This means they are now able to process service requests, update them, close cases and use mobile access for street scene cases rather than returning these on spreadsheets and paper to the waste team for inputting. This reduces the need for SERCO Team Leaders to return to offices to update work programmes and, more significantly, reduces workloads for the Council and allows customers to be updated in real-time on many service requests.

21. Moving Councillors to Office 365 instead of DME4 and G-ON tokens and installing Direct Access will reduce licencing costs as this exploits the existing Microsoft licencing. For example, allowing DME4 and G-ON technologies and their associated server to be retired will initially save approximately £18,000 per annum. It will also reduce the range of technologies the CenSus team supports. These efficiency savings will increase as Direct Access and other technologies are exploited.

22. The cost reductions relating to reducing the server estate will be realised if, and when, the CenSus partnership is revised and more details are contained later in this report.

23. Cost avoidance at this point principally relates to the future costs of changing system suppliers and integrating systems. A key principle in the procurement of the Council's new systems has been to ensure data can be moved out of them at little or no cost to reduce the costs of switching to take advantage of the market and software improvements. Migrating data, cleansing it and structuring it, in this phase of the programme, has required specialist skills. This is principally because older legacy systems have had poor data structures and administrative practices not refreshed but suppliers. While this can be less of an issue in operating an existing system is can contribute to supplier 'lock-in' and mean that the Council's ability to effectively manage and control its own data is limited.

24. Many existing suppliers, in effect, use a 'lock-in' business model making a customer dependent on the supplier for their product or service, and unable to use another vendor without substantial switching costs or inconvenience. This can mean rising support and maintenance costs, and slow and expensive change processes. For newer systems data standards and an increased focus on interoperability through use of APIs has helped reduce the threat of application lock-in. Moving to the Salesforce platform which hosts the CRM, waste systems, and soon the HR and Payroll systems has involved moving data from existing legacy systems. Salesforce allows data to be extracted at near zero cost

Priorities 2017 to 2018

25. The coming year's activity covers:

- the continued replacement of software tools as licensing for legacy systems comes to an end

- exploitation of new software

- the next phase of infrastructure replacements and improvements

- Mid Sussex website redesign (following on from the CenSus Revenues and Benefits redesign)

- developing and implementing a revised approach to service redesign using the learning to date.

- development and implementation, if agreed, to changes to the CenSus ICT partnership.

Continued replacement of software tools

26. Developing and implementing a new Human Resources (HR) and Payroll system: This will replace the current range of systems as licences expire. The system selected is cloud based and provides easy and secure access to information for staff and managers. This will also mean that hardware will be able to be retired and resources currently focussed on hardware support can be redirected. Implementation will include working with managers and staff to design new and easier ways to manage HR processes, for example booking leave, payroll enquiries and management information. This will reduce the transaction HR workload allowing the team and managers to focus on casework and employee and organisational development.

Exploitation of new software

27. Introduction of further services into the contact centre: the introduction of the new CRM with a clear underlying data structure and 'low-code' capabilities means that workflows can be relatively easily build within the system. This will allow other customer service requests to be introduced to the contact centre. The next responsive service lines being included and/or under investigation for inclusion are:

- garden waste (first iteration tested and being revised)

- bulky waste (testing currently)

- tree enquiries

- parking permit payments (under investigation)

- antisocial behaviour (investigating triaging calls and recording information)

28. As previously reported the customer contact team is also taking on proactive work where the contact team make calls to customers and residents on behalf of services where an interest has already been expressed. The current service line being piloted is health and well-being follow ups for people on programmes using a structured questionnaire. Further service lines could include:

- marketing garden waste services

- marketing permits for car parking

Infrastructure replacements and improvements

29. The Council's approach focusses on developing a coherent technical infrastructure so that software and hardware is easier to maintain, support and work on. This will mean that the Council will:

- Be able to more easily procure, retain and develop the skills we need to support our systems and continually develop our software tools to meet changing customer and business needs.

- Further simplify legacy architecture (older hardware and software), this will provide greater agility and reduce cost pressures

- Simplify technical infrastructure and move to cloud where possible (improved resilience, reduced infrastructure).

- Simplify infrastructure and architecture for line of business systems (Census Benefits is a good example where we need to move to a different server but the current 'patches and fixes' are too complex).

- Deliver efficiencies in application maintenance and reduce the number of ICT staff devoted to supporting applications and infrastructure. These valuable resources can be deployed to work which supports service redesign and meeting changing customer and business expectations.

30. A number of infrastructure projects for this next phase have been identified. These will be prioritised and sequenced with the work on reshaping the CenSus ICT partnership. This means that the relative priorities and scale of these projects may change as newer infrastructure options become available. Initial scoping for each of these projects, along with outline business cases, has been completed.

TABLE 1: Summary of proposed MSDC infrastructure projects

Project	Detail	Impact / outcome
Replacement of CORE and infrastructure network switches. These provide connectivity within across the campus and link servers with the internet. The majority of MSDC network switches are beyond the expected lifespan with limited spare parts availability.	Extensive out of hours work will need to be taken by an external company & CenSus ICT staff to replace each switch with minimal amount of down time to users. There are 24 switches in total.	Whole areas of campus would be out of action by a switch failure. It could take 2 or 3 days to obtain spare parts, if possible, or to buy a new switch. New switches will give us greater reliability and scope for greater bandwidth growth as we move to more cloud based services and leverage existing data. Cables are rated for 15 to 20 years.
Increase available bandwidth to support cloud based services and the introduction of new tools, for example Skype for business, and SharePoint which is an easier tool to share information.	The council has two internet connections a 10 mg connection supporting data transfer to Horsham and then to the web and an 'up to 100 mg connection' supporting the CRM, HR, waste systems and Microsoft Enterprise applications.	Existing connectivity is supplied through the Capita WAN and while the service is as agreed it is insufficient to meet mid and long term demands. Increased bandwidth will improve the speed of applications and the range of applications that can be used. This is unlikely to deliver a saving on its own but will enable savings elsewhere in the estate - for example using Software as a Service

Project	Detail	Impact / outcome
		and retiring on site servers.
Replacement of MSDC Net App Storage Area Network SAN. This stores data locally and is essentially a collection of hard drives. Extended warranty is due to expire in 2017. Obtaining maintenance on present SAN would exceed the cost of new. New technologies on SAN equipment has brought the cost down considerably.	Evaluate what data can be moved to a Cloud environment and how much data needs to stay within the on premise SAN. Install and configure new SAN and migrate all data across. Will need external support to do this.	New technology will enable better management and support of data. Support costs will also reduce as the SAN will be smaller and enable modern monitoring tools.
Install Terminal Services to replace Citrix for remote access to applications hosted within the Citrix environment.	Investigate and evaluate Microsoft solution. Create Terminal Services Servers for application deployment remotely.	This will give a cost saving of the Citrix licences and maintenance and be more compatible with the ICT skills in-house to manage. It will enable applications to be delivered directly to desktops for 'click' install for users instead of using second line support.
Capita who supply the Academy Revs/Bens system are taking Solaris10 out of support in 2018.This is the software that supports the server for the Revs/Bens System. The present platform is not capable of being upgraded to a supported version due to its age.	Move Academy Revs/Bens system onto the new supported platform. This will need to be a Linux platform as the system doesn't work on a windows platform.	Possible training for ICT staff on Linux platform if external support not available. Capita to install system. Rev/Bens staff to test. Optimum testing time is May/June 2017. Timetable for completion is Nov 2017 before billing starts for 2018. Savings will be delivered through cheaper licencing, disaster recovery and longer lifespan (from 3 to 5 years minimum).
Replacement of the IDOX Server, move to MSDC from Horsham and required upgrade to server software. This server supports the Planning, Building Control, Environmental Health and Licensing software. It additionally hosts the core Local Land and Property Gazetteer (LLPG).	A major database version upgrade is required which require a significant amount of work and cost regardless of location. A move will improve the opportunities to integrate data resources between IDOX and other systems. The Land and Property Gazette is an example of this and location on site will improve the capability to integrate this system which has no cloud based option.	All CenSus partners are reviewing their hosting arrangements for IDOX and any changes will be coordinated as part of a strategy across the partnership.

MSDC website redesign

31. A new website design for CenSus Revenues and Benefits is being completed. The service redesign team have worked closely with users of the service to develop workflows and improve user experience. This work has seen the largest customer and staff involvement in designing and testing any of the Council's websites. Simplified page layouts and reduced transaction steps have been developed and these will be tested further when the site is live.

32. The same approach will be used to improve the Mid Sussex District council website. This will ensure transactions are simple and reliable and that the site renders effectively and attractively on mobile devices (tablets and phones). These are now the prime means customers use to access the transactional pages of the Council's site.

33. This will complement the work already completed and underway to improve the customer processes within the contact centre. Information from customers and from the analytics used to monitor the website show that there are a number of transactions that are not easily completed online although many customers would prefer to use this option. Redesigning the site will improve the customer experience for those who choose to use the web. In turn this will reduce the pressure on the Contact Centre allowing new processes to be introduced and supporting further improvements in response times for telephone customers.

34. Once the website is simplified the work required to update it will reduce enabling web editors and administrators to use their capacity to forward plan and adjust the site for planned activity. For example, when a marketing campaign is needed for the Garden Waste service the website can be changed easily so sign up is more visible from search landing pages. The same approach can be used for marketing parking permits or raising awareness of Health and Wellbeing programmes. This can be combined with proactive activity from the Customer Contact team and through social media marketing.

35. Balancing our capacity across the range of customer contact points (web, phone, telephone and face to face) means that the overall the customer experience will improve in both reactive and proactive customer contact. This approach will improve the Councils ability to reach different customers across the district at times negating their need to contact us for demand failures (for example, missed bins) and also for services they may wish to receive.

Revised approach to service redesign

36. Recently the Digital team and other staff members have received training in 'agile' development approaches. This will enable the Council and its services to exploit the some of the technologies currently in place and being developed. It breaks down service improvements so that smaller scale changes are delivered and then rapidly reviewed to design the next steps for improvement. This fast learning approach means that improvement plans can flex as staff understand what is possible, meet changing service demands and the developing needs of customers. Critically it reduces risks associated with large transformation style projects and simplifies ways to improve services.

37. Initially the approach will be used to introduce and develop the tools provided in the Microsoft Enterprise suite to services so that process and technological efficiencies can be delivered. The first steps will be introducing a new means of storing information so that it can be more easily accessed, stored in a safer and more resilient way and integrated with workflows. We will also take this opportunity to refresh information retention and classification policies and work through existing information to ensure it is compliant.

CenSus ICT Partnership - CenSus 2.0

38. The CenSus ICT function will pay a role in the transition to the future technology choices of the Council. However, as the strategy is implemented the CenSus ICT function will need to be significantly changed from its current state. CenSus ICT will have a decreased role in providing applications and infrastructure support - 'keeping the lights on'. With the rise of automation and cloud consumption, the Council's requirement will be increasingly for business process services and service design.

39. This change, already underway, will see ICT will move from delivering IT support to change projects to delivering business transformation. ICT would no longer just react to changing business requirements. They will. be at the centre of business improvement initiatives, identifying opportunities for MSDC to improve its organisation and services It will move from aligning IT and business strategies to enabling business innovation. It will need to be able to expand possibilities for business innovation through the use of Technology.

40. The Census ICT partnership is at a crossroads, with the option for all the sites to break away and deliver their strategies separately, or to redesign the partnership for a new way of operating. All three CenSus sites have completed cloud readiness assessments, which outline the viability of the Councils moving away from on premise data centres to cloud hosted 'infrastructure as a service'. Any potential move offers both benefits and risks and will be evaluated within a more detailed business case.

41. All the assessments for the partner Councils give the green light for substantially using infrastructure as a service with some minor caveats. This points to there being an advantage in a Census-wide initiative to transition away from on premise data centres to public cloud infrastructure, notably around economies of process, the ability to continue to share the hosting of applications and data where appropriate, and in developing a shared talent pool in the new skills required to operate within the new environment.

42. Typically Cloud infrastructure can offer:

- **Increased resilience –** the sheer scale of operation of large cloud providers such as Amazon, Microsoft and Google means that the availability and uptime of their platforms cannot be rivalled by in house offerings. Disaster recovery is a major risk for all three sites at present and the move to the cloud will help mitigate this

- **Better performance –** again, the scale available to cloud providers means that the latest technology is available and supported, meaning our technology will run quickly and efficiently

- **Access to skills and knowledge –** as a group of relatively small district and borough councils, with limited financial resources, it is difficult to recruit staff with skills and knowledge in the latest developments in IT infrastructure. Working with much larger, specialist organisations will ensure that niche and expensive skills will be available to us when we need them.

- **Information security –** we can maintain our emphasis on excellent IT security by tapping into the greater resources and knowledge that our partners will be able to provide. Utilising the guidance issued through central government on cloud security, we can ensure we deliver maximum flexibility in our technology stack whilst also ensuring our data is as secure as it has to be.

- **Narrowing focus –** district and borough councils are already responsible for the delivery of a wide range of different services. Our focus in an increasingly pressured financial environment must be on those areas where we have the opportunity to add value. Technology infrastructure is an area with a well-established market of highly commoditised products and services, the effective use of which will enable us to focus on our areas of specialism and avoid getting distracted.

Policy Context

43. The Digital priorities and Service Redesign priorities are intended to support the Council in its aim of continuing to increase efficiency whilst protecting front-line services, in line with the Corporate Plan and Budget.

Financial Implications

44. The core work of the digital programme and service redesign work will be delivered through existing budgets and the IT reserve established for the digital programme. A number of projects will require initial capital investment in order to achieve longer-term savings. Requests for such investment will be made in the usual way as a bid to the capital programme for approval by Cabinet each bid will be supported by a business case.

Risk Management Implications

45. Making changes to services carries with it a risk of impacts on service quality. These risks are minimised by ensuring staff are fully involved in the development of any changes, and that proposals are prototyped and tested to ensure they result in a positive impact on the service and the customer. Customer involvement is also ensures the changes reflect customer need and expectations.

Equality and Customer Service Implications

46. When making changes to services, those with 'protected characteristics' under the Equality Act are given particular consideration. Wherever possible the Council aims to maintain choice in how a service can be accessed (i.e. by phone, face-to-face, or via the web) to provide maximum flexibility to the customer. Service changes are also subjected to customer impact assessments prior to their implementation.

Background Papers

None