

# 2013/14 Annual Service Report

## CSG Partnership, Barnet.



# 1<sup>st</sup> Year Executive Reflections



Welcome to the first Capita and Barnet Council CSG Partnership Annual Report and Review. This document is an overarching view of the first year of the partnership, summarising where we have come from, what we have achieved and our objectives going forward.

The Capita and Barnet Council's CSG Partnership has enjoyed an excellent first year. That isn't to say the year hasn't been without its challenges and sometimes frustrations on both sides, how we responded to these was a real test of the partnership. We have however laid the foundations for a mutually beneficial decade for both organisations and, having completed the groundwork, are ready to begin to reap the benefit for year two and beyond.

When forming CSG, we set some ambitious objectives:

- Significantly Improve Customer Service and satisfaction
- Improve insight to support better decisions
- Modernise the Councils IT infrastructure
- Deliver Better services at a lower cost

These objectives were broad and challenging and we have worked extremely hard towards achieving them. In many ways, the services are now unrecognisable from a year ago. We can be proud of many successes, the dedication of our people, the way the two organisations have worked as one and of generally performing well while going through a period of major operational re-organisation and change.

Major partnership successes in year one includes:

- transitioning 560 staff into CSG
- Customer satisfaction is 77% up from 52%
- We answer 95% of calls up from 90%
- The processing of new benefits claims in 9 days
- CSG services now cost £6m a year less to run

- £1.2m of procurement savings delivered
- Generating over £6m of income
- Receiving an unqualified Audit Opinion for the Councils annual accounts
- Resolving 94% of ICT incidents at the first point of contact up from 81%
- Relocating services to 10 other sites
- Implementing 18 new systems
- Refreshing 93% of the Councils servers and relocated them to our resilient data centre

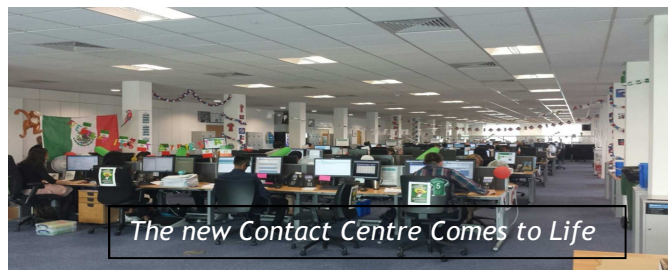
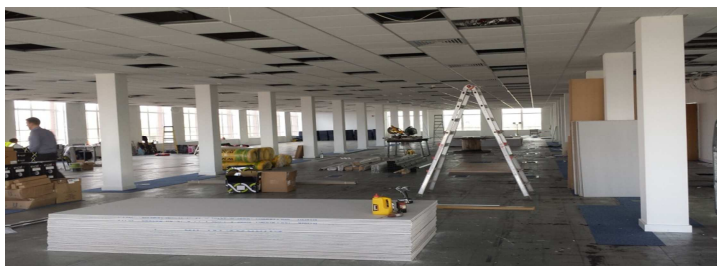
Laying strong foundations is essential. They provide a stable base and shared confidence on which to complete our transformation programme and to begin to deliver the longer term customer, organisational and financial benefit. We can be proud of what we have achieved and should celebrate our successes so far.

But we also need to work hard to complete the customer service and IT transformation programme, to resolve outstanding problems quickly and to improve in areas where we know we need to do more. We need to deliver the basics consistently well, minimise mistakes and their impacts to the customer and be effective in resolving the issues that arise quickly. If we do this we will deliver even more successes for our Barnet and its residents.

We look forward to the second year of working together and realising the additional benefits we committed to deliver.

**Mark Dally**  
Partnership Director, CSG

**Chris Naylor**  
Chief Operating Officer, London Borough of Barnet



### External Customers

The contract sought to put our Customers at the heart of what we do and they remain our priority. At the same time we sought to create a “new relationship” with them by taking them on the journey to new ways of interacting. This means contacting and engaging with us in new ways but relies upon is making information more readily available, signposting customers to alternative providers and ensuring service requests more quickly resolved.

Self-service resolution and the diversion of demand will also mean that in year two we can adopt the role of “customer advocate” where CSG Customer Services will own and monitor the end to end process of a request and ensure that Delivery Units actually fulfil the request not just that we handle or refer it. This will ensure vulnerable customers receive the care they require and other customers get what they need without repeated contact.

In year one we have laid some important foundations through a wide ranging programme that saw us:

- Review and restructure customer services
- Refurbish and equip a 100 seat contact centre
- Recruit and train 80 new staff
- Implement a CRM system and new telephony
- Use MI to drive customer understanding and target poor performance.
- Improve campaign management

We have managed this in parallel to some significant changes and business events that impacted on the operation, transition and transformation of the services. These include the Q3 Waste Campaign, during which 45,000 extra calls were received, and a new parking system being implemented leading to new processes and a backlog of permit applications to be processed.

We have also had our service challenges. While not all were predictable, some were inevitable or should potentially have been foreseen based on the scale and pace of change. We acknowledge these have been frustrating for our customers. These included:

- The switchboard service not performing well
- A significant phone outage in April 2014

- The new CRM system taking time to work effectively in terms of process, reporting and consistent data
- Occasional dropped calls

Despite this we have had some real and sustained successes:

- We answered 95% of all calls (up from 90%)
- 77% of customers are satisfied (up from 52%)
- We answered 74% of the million calls received in 20 seconds
- We process 90% of 300 emails daily in 10 days
- 17,000 parking permits issued since April 14

### Internal Customers

We set out this year with a clear objective to make Council staff jobs easier through better systems and ways of working. During this first year we have generated significant changes for Council staff with three key new systems going live: Integra in Finance, Core in HR, the new Employee Portal and the Lagan CRM system.

With these new systems we have introduced new tools, the foundations to allow more strategic planning and forecasting and higher levels of automation. Change of this scale and speed has been challenging and the Councils staff have been engaged and supportive.

But they have also faced some regrettable issues as the new systems highlighted some significant issues in functionality, data quality and reporting that have at times made the new systems seem like a backward step to some service areas. We have worked hard to resolve these and are confident that we have the plans in place to close all these issues soon and lay a strong foundation to support a modern workforce.

### Insight

For all our Customers, Insight has been a key enabler. For the first time the Council and CSG has far better in depth information on its services, demand, propensity for change and underlying drivers for contacts now and in the future.

This is helping inform decisions and strategies for short term demand management, customer service strategy and the long term commissioning and PSR strategies. The insight team have already delivered some key analysis to help inform current and future service delivery this includes:

- The Customer experience quarterly analysis,
- an Impact assessment of the Care Act on Adults Social Care Delivery
- Understanding of Social Isolation, and
- Housing affordability.

This is in addition to the MI that we produce (and publish) on the calls we receive, trends and problem areas. Insight has also delivered a Members dashboard with key ward and borough information around hot topics and trends that helps Councillors stay informed.

Going forward Insight will be a key tool for decision making and strategy setting both for CSG and the Council Commissioners to make evidence based decisions.

### Technology

This year has seen a significant investment in the underlying infrastructure, new technologies and future proof solutions. While not all of the technologies and solutions have been visible to the Councils staff they will underpin transformation not just of CSG but the wider Council. They will also provide more resilience and flexibility than the Council has ever had and support the increasing need for different ways of working and mobile working as the Smarter Working Project progresses.

The effort and resource to deliver the CSG Transformation programme has been significant with more than 100 CSG Technical, Programme and Project management, Business analysts and technical architects working to achieve our contract obligations. To date the solutions and services implemented within CSG include:

- Replacement Finance and Procurement systems
- Replacement HR, Payroll and Pension systems
- Replacement CRM system
- New Contact Centre Telephony solution
- Contact Centre Phonetic software
- Replacement data centre with full disaster recovery and business continuity capability and migration of 95% of the servers
- Phase 1 of a new property asset management system (with future phases to follow in year 2)
- Project and programme management systems

- Insight / Business Intelligence capability
- The new intranet
- New Service desk and ICT Service Portal
- New Cognos and insight reporting tool

The transformation also included the relocation, refurbishment and IT systems for a range of Barnet services that relocated to Capita Centres of Excellence during the first 6 months, largely with no business disruption. The programme does not stop here. During the first 6 months of year two we will complete:

- The completion of the Gateway Project providing an improved web and customer account capability
- The Smarter Working ICT Project – bringing better use of buildings, technology and locations to support ways of working
- The Data Centre Migration – providing 24 x 7 monitoring and Disaster Recovery
- The Supplier Portal providing a single interaction point for the Council's suppliers
- The refresh of the desktop and network

The Gateway project will perhaps be the most significant of the CSG deliverables next year. This sits at the heart of achieving channel shift efficiencies for CSG but more importantly providing customers with a better experience through a new website that is easy to navigate and use and the "My account" functionality that will allow them to complete the top 10 transactions in a secure, personalised and interactive way via self-service.

The Gateway project has been delayed until the start of March 2015 reflecting the complexity of the project, which may have been underestimated initially, and in order to get the scope and experience right for our customers. It remains a priority focus for year two.

### Processes

The first year has also seen the implementation of a number of new automated processes and better controls. Some of these are being rolled out in a phased way to allow staff or customers time to adjust and to ensure they are effective, but all have the same objective in mind, to ensure the Council works in an efficient way and reflect best practice these include:

- Increased use of self service in HR, Finance and Procurement

- Refined and tightened spans of control in Finance
- Improved access controls for IT systems
- Daily IT system back ups
- The introduction of a leavers and starters process to support the setup of new staff for IT, system access, FM access and permissions and more accurate staff data sets
- On line IT service requests
- Health and Safety reporting systems
- Estates compliance reporting on the Civic Estate

Year two will see this enhanced further with the following going live: mobile payroll solutions, automated switchboard and Call telephony integration, scanning and indexing for invoices as well as the Gateway project online capabilities.

### CGS - Transformation Consultation

The first year of the contract has been a challenging one for CSG staff. After a long period of uncertainty while the conclusion of the Judicial Review occurred, during which staff attrition levels rose, 568 staff transferred to Capita on 1st September 2013. The transfer followed a long period of consultation with the unions and a reiteration of the commitment by Capita that their Terms and Conditions would be honoured for 12 months and only non-financial process changes would occur at the 13 month point.

The CSG contract was set up to reduce costs and improve services to residents, to achieve these outcomes we set out to improve the technology and processes, and use our shared service centres to get better economies of scale. These measures will reduce the operating cost of CSG services by at least 45%. This will save the Council £126 million over 10 years of the contract. To achieve savings of this magnitude, we had to reduce the CSG workforce.

As a result at the start of October we put 256 employees working in the affected services (Revenues and Benefits, HR, Pensions and Customer Services) at risk of potential redundancy. We then entered into a full consultation with employees on our proposals to relocate 119.45 roles, reduce the overall headcount by 29.2 roles, and retain 107 roles in Barnet.

Consultation lasted 90 days and at the end of January 2014 the full outcomes were shared. During this time, we explored alternative suggestions to our proposals with staff and unions and we also sought opportunities to redeploy into other parts of Capita, with some success.

This was a difficult period for all concerned, and we did all we could to support our staff through the process including additional training and coaching around seeking new jobs, employee fairs and matching staff to redeployment opportunities.

This all had to be done at the same time as ensuring that services continued to deliver and perform in line with the contract.

As a result of that process 130 staff were made redundant (vs. the original Cabinet business case that assumed 203 staff would be made redundant) and 15 staff were redeployed into other roles.

### Change

The consultation was an unsettling time for staff and this was coupled with a high level of demand for their support during transformation. As we prepared to go live with the new systems in April 2014 it was often the same key staff that were required to keep the business as usual operation running and feed into the testing and finalisation of the new system configurations. It's a testament to their professionalism that we went live on time and to budget and suffered no degradation of service performance.

### Staff Development

Although we will continue to develop services, automate process and introduce new ways of working our staff are key to our success and we will be investing in their development. As well as putting in place their development plans we will be reviewing the opportunities to provide training and multi skilling staff.

One of the key business improvement projects we will seek to rollout across CSG during year two will be Customer Service training for all front line staff initially and then the wider CSG staff base. This programme is based on a market leading best practice customer service training and will focus on employee engagement, business relationships and customer satisfaction as core principles of our business.