



BRIEFING PAPER

CUSTOMER
EXPERIENCE
PROGRAMME

UNISON West Sussex briefing paper for all WSCC members

September 2015

Introduction

This paper explains UNISON's concerns about a major WSCC project that could have implications for many of us: The Customer Experience Programme (CEP). These concerns have been circulated to managers and councillors in the hope they will be taken into account when key decisions are made.

Important to get it right

UNISON supports the commitment to the principles and practice of excellent customer service as writ through the proposal on 'New Customer Experience'. UNISON also recognises that meeting this challenge will entail change and the greater use of technology to reduce costs.

However, the CEP is the most fundamental change proposal which WSCC has faced for some time. It is vital for the council to get this right in terms of design, governance and operation, so that it has a positive impact both on service delivery for residents, and on the morale of staff delivering it.

The overall complexity of the programme and its risks mean though that CEP has the potential to make an already difficult period of public service provision in the years ahead much worse for the council. If it is allowed to proceed without adequate levels of scrutiny or is poorly specified the result could be cost overruns, contractual wrangling and further staff demotivation.

Data and evidence base

UNISON believes there is a serious need to gather greater evidence to inform such decision-making, with a more detailed review of departmental

customer processes to understand where blockages and waste are. The evidence produced appears to be limited and not gathered or described in sufficient detail in relation to WSCC departments and how they might expect to improve or become more efficient under the proposals.



The current experience of the Capita relationship shows there are considerable risks of moving further down this path. The procurement of back office services in October 2012 is now widely held to have happened at a stage when the Council did not know enough about its own services, and as a consequence this affected the SSO contract that was let and the KPIs which were developed. We suggest that this proposal brings the risk of making the same mistake again.

Governance

In UNISON's view, governance and its importance to getting better services has been overlooked, and the current approach to the Capita contract is a relevant example of this. CEP requires a refreshed approach to governance and a new spirit of openness, with UNISON, with staff and with councillors outside of a small selected grouping.

Thought should be given as to how UNISON could play a role in the governance board, or in an advisory capacity, or in regular ancillary meetings to the board. The same thought should be given as to how a wider group of councillors can be involved, given their overall corporate responsibility for the organisation.

Staff engagement and buy-in

Staff engagement is key. Staff and their representatives within workplaces need to be brought on the journey, and to accept the rationale for change at given points. There is little evidence within the CEP papers of understanding of what is a large scale disengagement by Capita-employed staff from their employer.



This has been evidenced and documented at considerable length in the UNISON-commissioned research document 'Outsourcing services in local government – The West Sussex experience'. Although the timing of this separate project precluded it being available to CEP project staff until early July, now it is available its contents should be studied very carefully indeed. It is reasonable for UNISON to ask why, given the critical importance of staff to customer service (i.e. staff being motivated, engaged, well-trained, fairly rewarded, and so on), that closer examination of performance of our key 'transformation partner' was not sought to inform the CEP. It appears that the by and large meeting of KPIs has been taken at face value of evidence of the 'strength' of Capita, when serious underperformance and issues of Capita staff motivation and disengagement were at least anecdotally known¹ prior to the detailed UNISON research findings being available. Specific research detail is now available about sections of the Capita workforce in West Sussex; for example, its staff within the Contact Centre, and this evidence has been provided but not utilised as part of the council's decision-making process. West Sussex staff will not accept an uncritical picture painted of Capita as a strong delivery agent, as they too have their own experience. This is a risk for CEP which should have precluded Option 3, at least at this stage when Capita delivery and the experience of its staff has not been addressed and will not be until after the Reset. .

¹<http://theintranet.westsussex.gov.uk/Blogs/onthepoint/Lists/Posts/Post.aspx?ID=8>

Analysis of customers (external)

For such a large project on customer service, there is not enough detailed scrutiny of what actual external West Sussex customers think or want from their council. There is an over-reliance on what organisations like the 'Institute for Customer Service' say, rather than detailed study of what actual West Sussex residents say in sufficient number so as to provide robust data.



This is a key weakness of the project literature at the current time. The problem, which justifies significant investment, reorganisation and cultural change from departmental ways of working, has not been sufficiently defined by West Sussex residents. We understand that there is an E-Panel survey currently underway, but the results of this are not due until October.

Analysis of customers (internal)

The focus groups held were welcome but there appears to be little presentation of the themes from those workshops or the challenges which arose. Equally, the experience of staff as internal customers of Capita are not recorded fully within the documentation, but would, if included, provide a clear picture of the overall poor customer service of the key partner proposed for the council. There is at least recognition that "Track record and success of external provider in delivering innovation and change is not strongly regarded currently in the County Council." Though this is somewhat of an understatement and deserves to be properly explored and its consequences fully worked through.

Options and risks

The approach at option 3, whilst it could be seen as a natural compromise between full outsourcing and an in-house solution, appears to not be worked out in sufficient detail.



The approach seems to be to start with a series of 'quick wins' in Year 1 (presumably the easy stuff), when the much more difficult and inherently risky parts of the project come in later years, when the journey is embarked upon and the road back cut off. This appears to be an inherently risky approach in itself, and punts the difficult decisions further down the road. Most of the savings are associated with Adults and Children's buy-in, where there is little evidence of sign-up as yet (which may be based due to experience of Capita and more holistic knowledge of their own service) and there may never be.

It is not clear from the evidence provided why Option 3 is the preferred option. We say this for two main reasons:

1) In our opinion agreement over the SSO contract 'reset' should be reached before any further work is given or earmarked for Capita. All parties now recognise that the SSO contract has not yet resulted in the operational successes envisaged at the inception of that contract and there is a clear need for remedial action and redefinition to enable it to improve as currently scoped. Option 3 appears to be about using the existing Capita contract as a vehicle, in order to stabilise and bolster the existing Capita contract whereas this will further increase the level of influence one supplier has over the Council and putting the Capita contract in the position of being 'too big to fail'. The Council

2) We feel that far more evidence should be presented to demonstrate Capita's competence at delivering the telephony service. Evidence in 'Outsourcing services in local government – The West Sussex experience' describes serious concerns of contact centre workers themselves about how their service has deteriorated since novation to Capita. Their experiences also question whether the technology used is fit for purpose undermining one of the main claims of Option 3 being able to deliver 'focused technical innovation.'

We also would wish to see further comparison of the long term return on investment obtained in other Local Authorities when using Capita or alternative similar models.

This reiterates the need for further challenge and scrutiny before proceeding with Option 3. It feels like Option 3 is being recommended because it is in some senses 'easy,' in that it builds on current organisational arrangements. We feel that there is a danger of 'locking in' and expanding poor practices if proceeding with this option at the current time.

UNISON is disappointed that option 2 is given scant exploration. UNISON has consistently argued that in-house service delivery for the CEP should be given equal resources within project time. Leaving aside the assumption in the proposal that insourcing of the contact centre would be essential to any variant of option 2, little evidence is given to preclude the option other than note made of the political desire to be a 'commissioning council'.

Staff deserve a much fuller explanation as to why we cannot build on our in-house expertise to develop excellent customer service channels, but instead must rely on a long-term 'blended' relationship with Capita. Staff will use their own experience of using Capita services to conclude that there are political drivers to arrive at Option 3, and this, alongside the dismissal of an in-house solution when the evidence presented does not at all suggest it makes sense to shut off this option, will affect buy-in.

New directorate

As already stated, we are concerned at the decision being taken without sight of the full facts or consideration of the full implications. The proposed changes for departmental migration to the new Customer Services Directorate have not been drawn up with the full involvement of all those departments affected by them, with significant challenges evident in terms of communications and link up with the operational side of the council. As a consequence it is unclear how services are expected to work after different elements of them have been moved across.

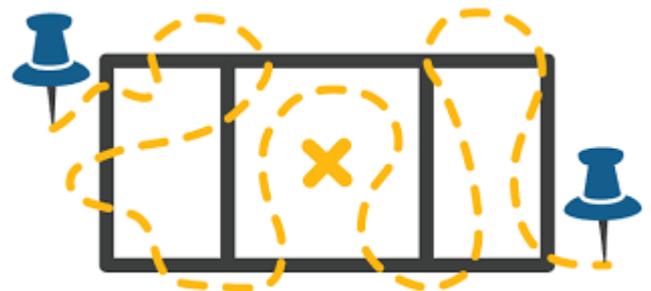


There is no listing of which staff and teams should be moved to the new Customer Services directorate; figures are presented as total FTE figures. It is not easy to conceptualise how the splitting of teams from the same directorate into two directorates will work, and less so when the teams are not named. It is suggested that internal reviews will take place in the course of a further year, though this means they will report after decisions have potentially been taken on the purchase of the CRM or elements of the CRM.

The development of the Customer Services directorate would be challenge enough, with the new dynamics present in split teams and the complexity of resolving these new ways of working. The proposals call though for a series of new SLA relationships between internal departments. It is not clear how this will work, who will write, monitor and enforce such arrangements, and whether the new bureaucracy involved is really the way the Council should be proceeding.

Lessons to be learned

It is not the fault of CEP or its staff that it has come along at this particular time in the authority's lifecycle. But before the authority commits to option 3 on the presented evidence base, it must first go through a process of learning lessons from its poor commissioning with Capita in October 2012 and that of the Highways contract as evidenced in the recent RAAC report. The Reset must also come to a successful conclusion. Issues of WSCC commissioning and monitoring must be resolved first.



Now is not the time to embark on a journey for which the roadmap after year 1 is far from clear, there is expectation that further work may be outsourced to Capita when the control over and scrutiny of Capita is limited, and we appear to be recommending Option 3 due to a political preference and desire to use the headroom of the existing Capita contract.

Savings

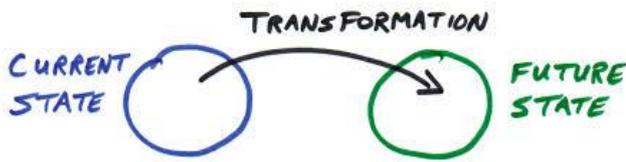
The methodologies which lead to the anticipated savings of 800K (£1.5m if we assume that the face-to-face pilot will be successful in establishing a way forward) are not clear.



800K does not appear to be a large amount of money in the scheme of things, when balanced against the serious risks which are documented in the paper. It may equally be possible to make savings through use of technology under Option 2.

Transformation

As UNISON has commented above, CEP would require (under any option) fundamental transformation of WSCC, from departmental to corporate-focused customer delivery.



Returning to a previous way of working, if it should prove necessary, would undoubtedly be risky itself and costly. CRM may well be the way to go, and the related purchasing decision should be taken in a way that:

- partners with the capacity/ability to help us purchase the right system at the right price;
- gives the internal strength to resist steamage from stakeholders towards their preferred system solution;
- ensures the ability to effect sufficient cultural change internally that the systems are appropriately and consistently used (we have already noted some departmental resistance; and such issues would be normal and affect any large organisation);
- has the ability to dislodge any future partner with control of the CRM;
- ensures the ability to match the back office to the customer front-end so that customer requests for council action are completed (this was a problem with the Highways contract, where demand could not easily be met and resulted in a costly perversion of the commissioning process);
- ensures that staff throughout our contracted partners are sufficiently motivated and engaged to make CRM succeed.

Conclusion

In sum, the Council must not rush to conclusion, no matter what the temptation of impending budget cuts and the need to make its existing SSO contract viable.

More time is required, and this must be given, along with a renewed commitment to a proper evaluation of an in-house solution, which is one without the additional complexity and bureaucracy of an internal SLA system between departments.

Commissioning is still a risk to the Council as the recent RACC report demonstrated, and Select Committee must feel satisfied that the work detailed here could proceed to successful conclusion against this back drop of risk.

Although the Council faces a difficult and challenging a period ahead, it should not underestimate that it does have the capacity make things even worse for itself by taking wrong or premature decisions which will have a fundamental impact on everything the Council does.

Dan Sartin

Branch Secretary

30th September 2015

