MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 13 July 2011

CHANNEL SHIFT STRATEGY

Issue for Decision

To consider the adoption of a channel shift strategy which identifies ways in which Maidstone Borough Council can 'shift' customer contacts to more efficient channels and provide a better, more convenient service to the customer.

Decision Made

That the Channel Shift Strategy 2012-2015, as set out at Appendix A to the report of the Head of Business Improvement be adopted.

Reasons for Decision

The 2011/12 MBC Strategic Plan highlights the benefits of providing services on line both for the customer and for the Council. This strategy is designed to enable the growth of these on line services.

A sizable proportion of residents are unable to contact the Council when they want because our traditional contact channels are either not easily accessible or not open at an appropriate time. This assumption is born out by analysis of visits to our website and where they have originated from. Computers located in London account for 15% of site visits, which would suggest commuters who are not able to access our services by traditional means due to work commitments. On line services are 24/7 and can be accessed 365 days a year.

A growing number of customers choose on line channels over other means of contact in all aspects of their lives, but especially when requesting services. These customers increasingly expect organisations to be able to deal with their requests on line.

Service areas have to make savings, in order to preserve service levels new way of working will have to be found. Delivering services on line, or by automated means, can deliver savings without the customer even being aware of any significant change. The move to on line service delivery is actually seen by a growing majority of customers as a service improvement and has very few negative connotations.

Moving services on line and allowing the customer to do more for themselves benefits the service area, because of the increased efficiency of requests being delivered direct to the appropriate officers, but also because the customer will have done some of the work themselves. If the customer becomes responsible for the data entry then mistakes should be reduced and officer time freed up to deal with the more specialist/detailed part of the request.

Nationally, central government is moving toward a position whereby services are 'digital by default'. The Direct Gov website is being re-engineered so that it is purely a customer transaction site. The necessity for channel shift will increase across the public sector due to the continued need to find savings. This strategy outlines what we could achieve over the next few years.

This strategy also outlines how by working with service areas we will be able to take a fresh look at the way services are delivered and ask could it be done better. Integral to this work is putting the customer at the centre, by understanding what they want and how they would like to receive it. A top 6 list of service areas that have a customer base more inclined to transact on line has been drawn based on analysis of contact s to the Council and Mosaic types. (see section below)

Customer contacts as well as being shifted can also be reduced. One of the aims of the strategy is to work with departments to reduce the amount of avoidable contact through, for example better/easier to understand correspondence.

The strategy also outlines plans for greater automation. This would initially be focused on payments, but could be extended to the handling of switchboard calls or even the taking of parking appeals.

Customer insight and priorities for channel shift

The table below shows the 4 most likely Mosaic groups to transact on-line, this information is based on national data compiled by Experian from various sources including on-line banking and shopping.

K & M Segment	Type Description	% of House-holds	% of MBC Contacts *	Most appropriate method of transaction **
1	Kent's most highly educated and financially successful citizens, living in sought after locations	20.50%	16.04%	Internet
3	Young singles and families in steady employment, who enjoy a prosperous lifestyle in relatively small houses	16.24%	22.9%	Internet

4	Young, full nest families that have recently bought modern, spacious housing	10.02%	5.8%	Internet
6	Well qualified young students, singles and couples, working in professional occupations and living in urban locations	2.76%	4.2%	Internet
	Total	49.5%	49%	

* The contact % is taken from Gateway visits and cases logged in our CRM system, they are not all contacts with the Council.

Table 1 – Mosaic groups most likely to want to transact on-line

As set out in the table, about half of borough residents and customers who contact us belong to the groups who are more likely to transact on-line. This analysis is also born out nationally, those more socio economically prosperous groups and those with a younger demographic have higher levels of broadband access and are more confident when using the internet[1]. K and M Segments 1 and 2 above are more affluent and 4 and 6 tend to be younger, so mirror the national picture.

There is no doubt a large scope for channel shift, if we were able to 'shift' only a third of the contacts by the four groups outlined above it would equate to nearly 40,000 contacts based on overall contact figures for 2010/11. The figure of 40,000 is based on a reduction of contacts via the 'traditional' channels of phone and face to face. The table below shows by service area the numbers and percentages of contacts that could be reduced from the Gateway and Contact Centre if one third of the contacts from K&M groups 1, 3, 4 and 6 were carried out on line instead.

The table below shows the services that would most benefit from the shift of contacts outlined above. The % reduction is a reflection of the usage of the service by the most likely groups to transact on line (see table above)

Department	**% Reduction**	**Total Contact Reduction (Gateway + Contact Centre)**	**Contact Reduction Gateway**	**Contact Reduction Contact Centre**
Parking	23%	**5158**	1265	3893
Environmental Health/Enforcement	18%	**1028**	22	1005
MBS	17%	**4998**	46	4952

[1] Ofcom Communications Market Report August 2010

C Tax	17%	**8461**	589	7872
Planning	16%	**4457**	336	4122
Waste Management	16%	**3544**	107	3437
Benefits	16%	**6789**	2790	3999
Housing Options	14%	**3604**	1564	2040
Bereavement Services	12%	**639**	0	639
		38677	**6718**	**31959**

Table 2 – Percentage and number of contacts that could be shifted on-line from telephone and Gateway visits

Financial Implications

The development of on line forms does not require a capital investment. Development of new forms will require a strong commitment of resources from the IT development team, over the period of the strategy

The largest capital out lay would be if the decision was made to invest in greater automation, such as an automated switchboard based on speech recognition, or greater integration such as on line integration with our revenues and benefits system. Any investment should be recouped by capital savings and could be made using an 'invest to save' bid.

The financial implication of not doing anything is hard to quantify, but would certainly be considerable. As resources within departments get scarce and existing processes come under increasing pressure, the need for re-engineering will become paramount if savings are to be made.

Alternatives considered and why rejected

The 'do nothing' option and would mean that the current channel position would remain. No new on line forms would be developed and no systems for greater automation would be considered. This option would still see an increase in the use of on line, though at a far slower pace.

The negative impact of this option would only really be seen in time as customers became increasingly frustrated by the lack of channel choice offered by the Council.

Organisationally, the negative impact would be that processes would not evolve to become more efficient. Service areas would find themselves having to use existing processes, but with fewer and fewer resources.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: **20 July 2011**