Customers keen to self-serve

Lichfield District Council has moved revenues and benefits services online, enabling customers to self-serve at any time of the day or night. Over 40 per cent of customers now use the forms, with the subsequent drop in face-to-face and telephone enquiries helping to deliver over £140,000 in efficiency savings during the first year of operation.

Digital Channel Shift Programme case study

The issue and context

At the time of applying to the LGA Digital Channel Shift Programme, Lichfield District Council had a corporate ambition to provide more services online. It also had an opportunity in that a number of its legacy systems were coming to the end of their contracts. An overall transformation of customer services was therefore initiated, involving upgrading a range of back-office systems and creating an online MyAccount with self-serve options.

Part of this transformation involved the delivery of new online services for revenues and benefits. At this point in time Lichfield had no online services for revenues and benefits. This meant that all applications from citizens were paper-based and required a combination of face-to-face meetings, telephone calls, letters or emails. It also entailed the hand-keying of information into back-office systems.

The ambition was to create self-serve processes for revenues and benefits, including applying for a single person council tax discount or housing benefits, notifying the council of a change in circumstances and creating a landlord portal. The new services would support the full range of standard service requests and enable self-serve at a time of the customer's choosing. They would be integrated into the new customer MyAccount, enabling people to check their data and find answers to standard queries, without contacting the council.

The services would support a wide range of customers – from those claiming benefits through to council tax payers across the district. Although not within the initial scope of the

"Two years ago we re-stated our ambition to encourage more people to engage with the council digitally, to provide more services online so that people could deal with the council at times to suit them. We also wanted to reduce the number of times we handled data to minimise error and to improve accuracy. But perhaps most importantly we wanted to improve the customer experience.

"This is one of four key projects that we have been delivering. The introduction of forms for revenue and benefits was a key part of that programme and what we wanted to do was allow people who didn't want to telephone the council to tell us about a change of address or a change in circumstance or to check their council tax bill, so we wanted to give them the opportunity to do it all online."

Neil Turner, Director of Transformation and Resources.

project, these developments were to pave the way for a series of online forms to support all businesses. Lichfield estimated that this could save up to £200,000 over five years from the automation of processing.

The project had high-level member buy-in through the Cabinet member champion for the council's digitisation programme and the cabinet member for customer services, revenues and benefits.

Digital Channel Shift Programme

The work at Lichfield District Council to support its innovative use of digital technology has been part funded through the Digital Channel Shift Programme, which is managed and overseen by the Local Government Association (LGA).

The Digital Channel Shift Programme was set up to help councils and their partners to promote greater use of online tools and technologies for the benefit of both their customers and staff.

The aim is for the digital tools and solutions created through the programme to be reused by other councils and contribute to the wider work to transform local public services.

The project objectives and targets

Lichfield District has a population of 103,000 in 46,000 households and has approximately 4,400 housing benefit customers and 5,500 customers who receive a reduction in their council tax. At the start of the project these customers could only interact with the council via face-to-face, letter, email or telephone.

On average 2,000 service request were made each month by these customers, with 53 per cent of contacts related to revenues or council tax, and 47 per cent to benefits – and the majority of contact was via the telephone.

Lichfield estimates that, based on face-to-face visits costing £10.53, postal contact £12.10 and phone calls £3.39, customer contacts for standard requests in revenues and benefits at that point costed approximately £150,991 per annum.

If 100 per cent of customers interacted with the council online at a cost of approximately £0.08 per transaction, savings could therefore exceed £149,000 per annum. However, it would take some time to deliver a 100 per cent switch to self-serve, so a graded uptake over five years was targeted (see table).

The LGA funding was to be used to open up an existing Northgate Public Services (NPS) revenues and benefits system through the purchase of APIs (application programming interfaces) that enable different computer systems to talk to each other.

> "This project has been extremely important to the council in two main ways. Firstly the LGA support provided us with the momentum to focus on introducing forms for revenues and benefits and secondly we recognise that an enormous amount of contact we have with our residents is about council tax bills and benefit applications and it's given us the opportunity to digitise a wide range of services that we offer."
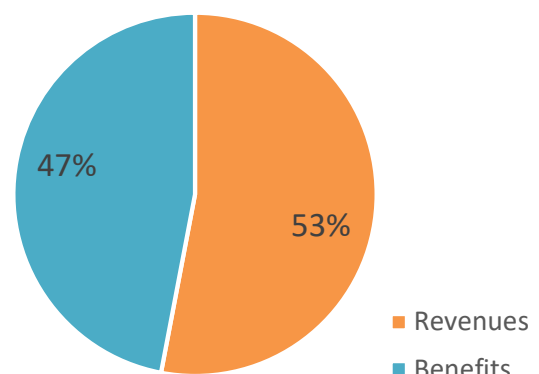>
> **Neil Turner, Director of Transformation and Resources.**

> "The project was all about getting forms online and as a by-product of that getting the information that the customer was keying in into the back-office systems so we could eliminate re-keying."
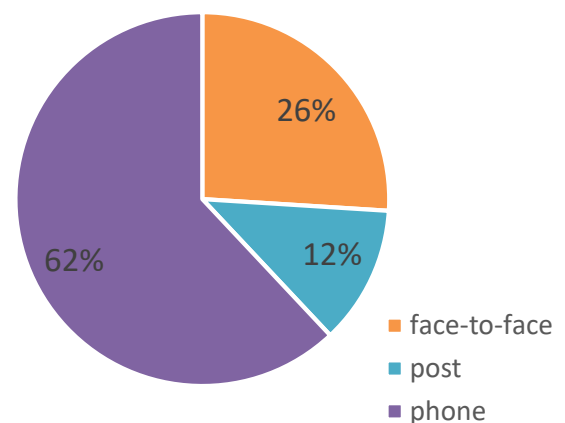>
> **Pat Leybourne, Head of Customer Services, Revenues & Benefits**

This would allow the back-office system to be integrated with other systems, enabling it both to share and receive data from the new online forms and to interact with the planned new customer account, so that people can keep track of their dealings with the council in one place.

Reasons for contact

- 47% Benefits
- 53% Revenues

Contact channels

- 26% face-to-face
- 12% post
- 62% phone

In addition to purchasing the APIs, the LGA funding would also be used both to implement them and for development consultancy to create links to the selected online forms package.

This work was seen as part of a wider council project in which the council was to invest in excess of £330,000 in order to deliver a customer account and online forms capable of interacting with the APIs. Lichfield saw the APIs as a vital part of the jigsaw, without which the essential interface could not happen.

Targets

During the five-year lifetime of the project, Lichfield was targeting a reduction of £200,000 in its notional processing costs as a result of take-up of new online services in a phased pattern of adoption (see table).

By 31 March 2018 the council would:

- have eight online forms available
- deliver take-up of 25 per cent
- achieve cashable savings of £19,860.

Estimated take-up	2018	2019	2020	2021	2022
Percentage	25%	40%	60%	70%	80%
Number of service requests	6000	9,600	14,400	16,800	19,200
Savings calculated: online 8p vs phone £3.39* * *Lichfield estimated costs*	£19,860	£31,776	£47,664	£55,608	£63,552
Cumulative savings	£19,860	£51,636	£99,300	£154,908	£218,460

The approach and progress to date

Lichfield's project principles

These include:

- a consistent customer experience – no matter what system

- easier for our customers to deal with us

- we recognise what good looks like and strive for it

- we maintain our independence/fleetness of foot to deliver

- we target resources at the best possible solutions

- we aim to minimise the amount of times we handle data – and errors

- we deal with a limited number of solutions providers that take messages from customers to back-end systems and vice versa

- our system choices drive real savings – we buy cleverly and purchase at the best price

- our approach leaves time to deal with the customers who need more help.

As Lichfield went through the procurement process for selecting a forms provider, it invited three suppliers to tender, and it selected NPS forms. As this was the same supplier as the back-office revenues and benefits system, the council would no longer need to purchase the APIs as integration was provided within the forms offering. At the same time the contract with NPS for provision of the revenues and benefits system was extended for three years.

"Northgate Public Services are our revenue and benefits software supplier so there was no separate price for APIs because they were integrating into their own back-office systems. So, the LGA funding contributed to that and their consultancy fees as part of the project to get it up and running."

Pat Leybourne, Head of Customer Services, Revenues & Benefits

"We had a series of principles that we built in our investment strategy. Those principles included putting the customer at the heart of everything we do, minimising the times we handle data, recognising what good looks like and seeking to replicate and improve upon that."

Neil Turner, Director of Transformation and Resources.

The LGA funding was therefore re-aligned to support the purchase of the new forms, the landlord portal and the consultancy required within the project to get the forms up and running.

The council was very ambitious in terms of timelines and wanted to have the new services running before April 2018 and ready to help with their busiest time of the year, the annual billing process. To this end a project plan was agreed with NPS.

This online form development, along with a wider MyAccount development, was to adhere to the Local Government Digital Service Standard and employ design labs and user testing, to ensure a positive customer experience and journey at all stages.

The project team took advantage of the fact that two other councils in the region were also working with the NPS forms. This provided an opportunity to meet, learn, discuss and collaborate on resolving common issues, for example any delays to roll-out.

As part of the council's overall governance arrangements for their digitisation programme,

"We have listened to what our customers want and whilst most are pretty digital savvy, we do still have some who require help. But we have trained our customer services to give that help so they can actually talk to the customer and talk them through the form and key it in – so what the back office get is the finished product."

Pat Leybourne, Head of Customer Services, Revenues & Benefits

> "We had a voice. The team tested all the processes on the systems for both the revenues and benefits forms. Some we would do several times and feed back issues to Nicky and Martin [the council's lead project officers]. If it was something that was changeable they would come back and say 'Alright we've amended that now, give it another go' and we'd test it again. They'd keep on changing it until it was right."

Claire Peek, Specialist Customer Services Advisor

an innovation board hub meeting takes place every week.

The innovation hub is a cross-departmental team taking forward the digitisation programme. All current projects are regularly showcased to colleagues, reviewed for progress and assessed for potential support from the hub resource. This hub also provides a channel for internal experience-sharing and learning.

User engagement

The project team identified two groups of users: internal staff who would use these new tools and revenues and benefits customers. Previous customer reviews had baselined customer experiences and uncovered a positive response to moving services online.

Internally, staff were quickly aware of the potential for automating the volume of work passing through both departments. Initial concerns of job reductions were successfully allayed – any officer time saved that was not reallocated within the service was released through natural wastage during the course of the project or dedicated to serving the council's more vulnerable customers.

> "We had a soft launch in May [2018] with our customer services team using it on the phone. That gave us time to look how it was working and when we were happy, we launched in mid-June to the public. We were very excited when someone went online within an hour and completed the form."

Nicola Begley, Income Manager Revenues

In addition, the majority of staff involved with the project were excited about the potential improvements for customer service it could deliver. Revenues and benefits staff and customer service staff were not only engaged early in the project and its delivery but were also involved in the testing, feedback and the form iteration process.

Testing

A not-for-profit consultancy created by a group of councils in Kent, Smarter Digital Services, was engaged to train the internal team to carry out user testing interviews. This expertise was used to engage users in testing and refining the revenues and benefits forms that were rolled out. Testing was conducted first with internal staff before engaging end users.

Customers in the service centre were invited to test the forms alongside an officer. The officer was there to provide assistance while noting where in the user journey the customer was finding the form difficult.

Lichfield's councillors were also invited to test the new forms and fed further useful perspectives back to the team.

During the subsequent soft launch stage, customer services staff made appointments for people to come in to make a benefit claim and then sat with the customer to fill in the form. For example, one 19-year-old woman, leaving home for the first time, needed housing benefit and council tax support. The customer services officer found that mostly she was explaining how council tax and benefits worked, rather than explaining how the form functioned: "This young girl sped through the form as it's really user friendly – which was really positive."

The team found that some of the terminology used in the forms did not mean anything to

> "Within that five-minute call – from start to finish – you're able to say to a customer 'this is your bill, these are the instalments, let's get your direct debit on, your first payment is going to be 18 February'. And that's it, it's done."

Claire Peek, Specialist Customer Services Advisor

customers – if you had in-depth knowledge of the service and legislation it made perfect sense, but not if such things were new to you. Indeed, issues encountered at this time often required only small word changes or the addition of a question to make the form more simple and user-friendly to follow.

Benefit and revenue transactions are now completed via online forms and paper forms are no longer issued. Customers can now self-serve or can be assisted, by trained officers, in council offices or over the phone to complete an application. Forms can be filled in, credits transferred and refunds made instantly.

Promotion

The website was updated to tell people that the forms were there and customer services either directed people to self-serve or assisted them to enable them fill in the forms. Uptake was steady and manageable, and therefore the team took a decision not to deliver a full communications campaign promoting the online services until the March 2019 billing cycle.

Interestingly, the project team undertook a one-month snapshot in the service centre asking people why they did not go online, instead of visiting in person. Thirty per cent of customers said that they came into the office for no better

"For a customer they still have the same service from us as they had before they just have an added extra choice now. And we're able to do a lot more in the front office, so as well as helping people fill in their forms we have time to say, 'yes we'll sort that refund out now, we'll get your credit transferred to the right account'. These used to be back-office functions – so it has empowered the customer service team to do the whole thing for a customer. It feels much more like a full customer service now because we are free to do it."

Claire Peek, Specialist Customer Services Advisor

reason than they liked coming into the office. This poses problems for channel shift but is not necessarily a digital exclusion issue and the council is determined that customers still have the same service options as previously – just that new options have been made available.

It is hoped that promotion linked to the 2019 billing cycle will encourage more people to move online.

Project milestones	Planned	Actual	Comments
External supplier NPS starts build work with internal team	Oct 17	Oct 17	
Technical testing	Dec 17	Dec 17	
User engagement and testing with staff and customers on draft forms	Jan 18	Feb 18	
Staff training	Jan 17	Feb 18	
Soft launch of live system for customers (customers guided by staff)	Jan 18	Feb 18	Jan for benefits forms and Feb for revenues
Live environment user engagement and testing with staff and customers	Jan 18	Feb 18	Jan for benefits forms and Feb for revenues
Hard roll-out of benefits self-service and removal of paper forms	Mar 18	Mar 18	
Hard roll-out of revenues self-service and removal of paper forms	Mar 18	Jun 18	See challenges.

The outcome – successes and challenges

These include:

- £140,681 total efficiency savings in the first year of operation

- over 2,000 customers accessing online services in revenues and benefits

- 41 per cent of revenues customers helped via online forms

- 43 per cent of benefits claim customers and 31 per cent of change in circumstances dealt with via online forms

- 34 per cent drop in face-to-face enquiries for revenues and benefits

- 23 per cent drop in telephone enquiries for revenues and benefits.

Lichfield is pleased with the results of this project and there has been a significant impact on customer service. Customers can now self-serve at any time of day or night, and when customer services receive calls they can now resolve issues and action items during the call.

Despite serving a relatively ageing population take-up has been good, which reinforces the council's believe that people do want to interact with it digitally. This move has released capacity that is now available to serve those people who do not want to interact digitally and those more vulnerable residents whose cases may be more complex.

When customers use the online services the forms collect all the information required and automate processing in the back-office system for approximately 40 per cent of the workload.

"The take-up has been better than we expected and we currently have over 2,000 people accessing online services. That might not sound a lot but in a small authority it is. We have spoken to other authorities and compared to their take-up rates we are doing well with very little promotion."

Pat Leybourne, Head of Customer Services, Revenues & Benefits

"For the customer the journey is far better – they can go online, be told straight away that this is your new amount, they are going to get a bill within three to four days where before it could take six to eight weeks because we had a backlog of work."

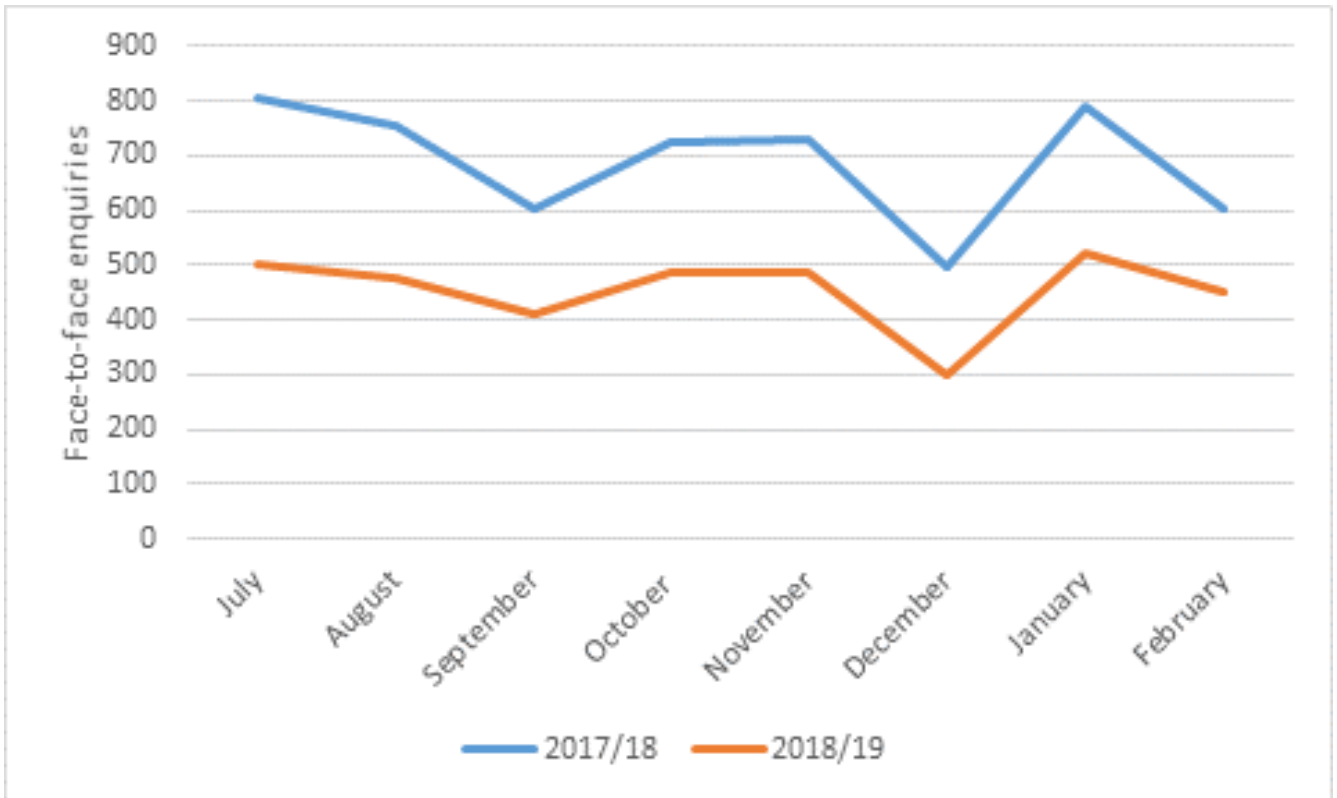**Nicola Begley, Income Manager Revenues**

Financial savings

The financial savings of £140,681 exceeded initial expectations due to faster take-up than anticipated. These savings have come from a number of areas and are a result of both the forms and the wider work in this area:

- benefits claim and change of circumstances forms saved 136 hours of manual processing time, worth £3,142

- revenues forms reduced manual processing by a total of 382 hours a year, saving £5,814

- inclusion of electronic information in forms reducing scanning and indexing time by 375 hours a year, saving £5,708

- print and postage savings from e-transactions totalled £2,099

- overall reduction in workloads via channel shift delivered savings of officer time worth:
  - £16,470 savings in benefit assessor time
  - £23,886 in customer services time
  - and a further £29,355 of cost avoided by not having to recruit an extra billing officer due to reduced pressure on the service

- drop in face-to-face visits delivering a saving of £29,233 over one year, using Lichfield's cost per serve calculations

- reduction in call volumes giving a saving of £24,987 over one year, using Lichfield's cost to serve calculations.
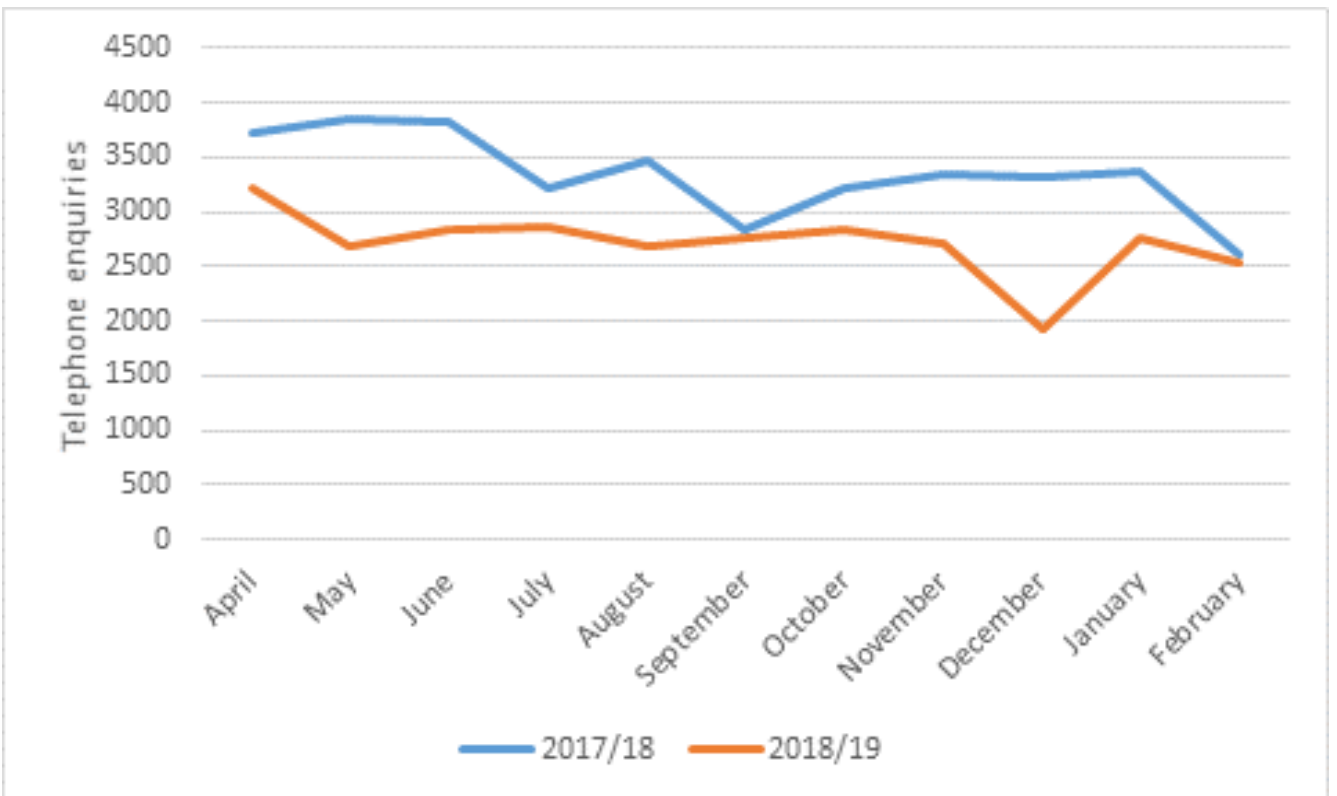
In addition to the £15,000 from the LGA Lichfield also invested in the forms and the wider work on the landlord portal that facilitated this. Their investment was £32,000.

Reduction in face-to-face enquiries

NB. Note seasonal activity spikes across all charts above and below in January after Christmas break

Reduction in telephone enquiries

Non-financial benefits

Improved data quality: errors from re-keying have been removed ensuring that the teams can rely on the data in their systems.

Improved relations between customer services and the back office: there are fewer phone calls coming into the back office now querying and chasing things up – because "everything's been done almost in real-time".

Better customer experience: customers can go online at their convenience to engage with revenues and benefits services. They can get immediate information, for example viewing their account information, or where they are notifying the council of moving into the district, they can find out their council tax number and receive a bill within three to four days – compared to six to eight weeks due to previous backlogs of work.

Additional staff capacity: staff no longer have in-boxes full of memos and backlogs to respond to. Time released through self-service has enabled a review of roles. Lichfield used to have a separate visiting officer. However, now that staff have more time this role has been absorbed by all staff, meaning that customers can be visited and helped more quickly as more staff are available.

Better support for vulnerable customers: speedier processing of the majority of claims allows more time to support face-to-face visits for more vulnerable/needier clients.

Revenues and benefits: staff have enjoyed their new roles as their work is more varied and they have more time to focus on complex cases. In benefits in particular, staff are happy that they no longer have to key in information and instead can focus more on checking the information and the claim.

"£15,000 is a relatively modest sum but it gave us the momentum to put together a business case, a momentum to deliver against targets that we'd promised the LGA. The LGA provided us with support when we needed help with dealing with contractors and it gave us that momentum to move the project along and ensure its success."

Neil Turner, Director of Transformation and Resources.

"Feedback is good from the team – it has improved processes and processing times. The claims forms, from the outset, have been created for them so that reduces the amount of manual keying of the information by the team so it's a win-win situation for them."

Martin Hunt, Assessment Manager Benefits

Customer services: staff are more satisfied as they are empowered to help respond to queries immediately. In the past there had been frustration at being unable to resolve complaints due to the back-office processing times. This capability is being met with a positive response from customers: "You've done this – thank you." "This is a lot better!"

Challenges/risks

Time delays: whilst the benefits forms ran generally to time, there were delays on the roll-out of the revenues forms. Delays were compounded as the overrun on the supplier's product development side pushed delivery into the service's busiest time of year, the annual billing run. The LGA helped highlight the risk of project delay with the supplier, NPS, which helped to bring the project to conclusion. However, the revenues form did not go live until May 2018.

Resources: capacity was strained at both the supplier and council ends of this project over the winter, with the holiday season, maternity leave, annual leave and staff/family sickness. Timelines were amended to accommodate these challenges where possible.

Conflict with legislative timeframes: revenues and benefits year-end processes begin in February, which was very close to the delayed delivery targets. Priority ultimately had to be given to these year-end processes and the billing cycle, impacting negatively on the timetable for delivering the LGA project.

"The customer is getting a service at first point of contact and not having to wait. And that for me is one of the big joys of this that we're not making customers call us back all the time."

Pat Leybourne, Head of Customer Services, Revenues & Benefits

Key learning points

Lichfield believes that it has demonstrated a successful way of delivering projects that achieve and promote channel shift, innovation and digitisation. It has highlighted a number of lessons learnt from this project which will be applied to future projects:

Timescale/supplier: expect the unexpected – the agreed timescale was a challenge and the project overran into a known busy time of year for the revenues service. Avoid change during peak workloads and build in contingencies even if you are working to an agreed project plan with your software supplier.

Resource: be mindful of your resources, especially if you are a small council like Lichfield and you have the same people doing the 'day job' and 'making the change' – make sure they are properly supported.

Test, test and test again: involve all teams in testing, it is an investment well worth making, and ensure that testing schedules are adhered to with full preparation.

Be prepared for hiccoughs: don't expect everything to work first time – be prepared for hiccoughs along the way.

> "We've always felt we've been left behind and other authorities had been moving this way and all of a sudden – within 12 to 18 months – we've got everything and it's been such a channel shift."
>
> **Martin Hunt, Assessment Manager Benefits**

Get staff involved as early as possible: staff in all areas appreciated being involved and their feedback was invaluable. Different roles have different perspectives and you need an all-round view.

> "The timescale was a challenge and I'd say to somebody else, 'don't try and do it at that time of year – January, February and March'. And make sure, even if you're using your software supplier's plan, to build contingencies in as things may take a little longer."
>
> **Pat Leybourne, Head of Customer Services, Revenues & Benefits**

> "Test, test and test again. And don't expect it all to work first time. Be prepared for hiccoughs along the way."
>
> **Nicola Begley, Income Manager Revenues**

> "We are a small authority, we have a small billing team and we are in the position if we didn't change our way of working I was going to have to invest in another member of staff."
>
> **Pat Leybourne, Head of Customer Services, Revenues & Benefits**

Next steps

Lichfield now plans to integrate its self-serve revenues and benefits facilities into the main corporate MyAccount currently under development, in order to make sure that people will have a similar experience every time they contact the council.

The online services have yet to be extensively promoted. A proactive promotion including messaging on current bills is planned for the March 2019 billing run. Regardless, the council is pleased with take-up to date and believes this evidences the possibility of achieving its five-year target of 80 per cent online transactions for revenues and benefits.

An existing landlord portal has proved successful and is well used by landlords, but its underlying software is no longer supported. This will therefore be redeveloped in April 2019 and will include access to online letters relating to benefits and council tax, which is anticipated to significantly increase savings.

Work is also underway alongside the wider transformation programme and MyAccount development to develop online forms in other services, for example, waste services, and to integrate them with the council's document management system.

.

"Our next steps are to link this up to our main corporate system to make sure that people will have a similar experience every time they contact us."

Neil Turner, Director of Transformation and Resources.

"Where we want to be is that a customer can log on and go and see whatever they want re the council and not just their revenue and benefits accounts – that's our next steps."

Pat Leybourne, Head of Customer Services, Revenues & Benefits

Contact for further information

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