

Leicester
City Council

Cabinet

8th March 2010

Customer Data Integration – Transforming the Customer Experience

Report author: Director, Information and Support

1. Purpose of Report

The council is committed to making sure Leicester's citizens receive excellent customer service in everything it does and our Customer Access Strategy 2008-2011 describes an ambitious and well funded improvement programme.

In March 2009 the council opened its fourth neighbourhood Customer Service Centre and launched its DIGITV service. In June 2009 the council launched extended opening hours of the council's telephone help desk 0116 252 7000 to 8am -8pm, six days a week. We will be opening a new flag ship city centre Customer Service Centre in the spring of 2011.

This report describes another major strand of the strategy; a Customer Data Integration (CDI) project that will join up all of our key back office systems and support the development of more on-line services to help transform the customer experience.

2. Summary

The CDI project is about a new way of working. It will enable solutions to be developed that support the Council to operate as One Council, and facilitate the delivery of more personalised and proactive services to our customers.

CDI will give customers:

- More opportunity to "Self Serve" using the internet as services containing confidential data will be accessible more easily and securely
- A better customer experience with more calls being resolved with a single contact because front line officers will have access to more information about the customer, their history and transactions
- Receive speedier enquiry resolution because customer service officers will be using joined up systems
- Receive proactive service packages because service managers will have access to a single view of the customer drawn from information across the authority

The council will benefit from:

- Greater customer satisfaction and improved corporate reputation
- Efficiencies in the handling of customer enquiries/transactions eliminating double keying and other non-value adding administrative tasks
- A shift from relatively costly telephone/ face to face service delivery to lower cost self service solutions
- Improved fraud prevention and detection
- Efficiencies in the maintenance of IT applications
- Improved enterprise reporting that will allow us to make effective, informed decisions based on solid customer data and analysis.

3. Recommendations (or OPTIONS)

Cabinet are recommended to

- 3.1 Support the CDI project.
- 3.2 Agree to release £700k from the ODI project to fund the CDI initiative.

4. Report

4.1 Background

Historically the Council's approach to investment in business IT applications has been on a service-by-service basis to meet specific business needs. This has in part been a result of departmental structures and part dictated by the local government software market. This has resulted in a large number of systems across the council with significant duplication of information, particularly relating to our customers. This is inefficient and preventing us from providing the quality customer service we aspire to.

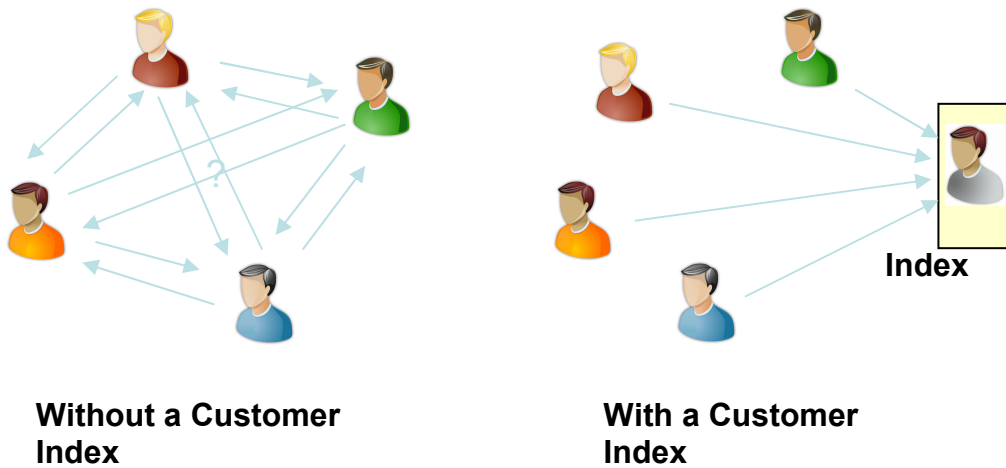
4.2 What is CDI?

CDI is not one piece of software but a collection of tools and a new way of working. The CDI project includes: a single index of customer data; a web customer portal; a staff portal, and an enterprise wide reporting tool. Together these tools will support the business to transform the way it operates.

The single index of customer data

Many of our large systems are currently cluttered with duplicate customer records and a great deal of time is wasted verifying data in those systems. Using specialist tools we will 'clean' the data in these systems and then cross reference them to provide an accurate index of customer data. All major systems will then use this customer index to keep core customer data up to date.

The image below illustrates the 'before' and 'after' situation.



Whilst staff will only have access to data that is relevant to their role, specially designed rules linked to the customer index will ensure that changes in one system are notified to others who may need, and have a right, to know. For example Children's social care may receive an automatic notice from the Housing Benefits system that there have been a change in occupancy in a home housing a vulnerable person.

The staff portal

The central customer index will, for the first time, allow us to automatically link customer information held in different systems to give authorised post holders access to the all of the information that they need to do their job effectively. Staff will access this linked data via a staff portal which will, for example, allow social workers to see what other interactions a customer has had with the council which will help with their assessment.

The customer portal

CDI will use the central customer index to provide secure password controlled access for Customers to their own records via a customer portal on the council's web site (see 4.3 below).

Enterprise reporting

An enterprise reporting tool will also be implemented by CDI which will allow the production of reports that combine customer information held in different systems into a single report. This will improve efficiency and will facilitate the effective targeting of services.

4.3 The benefits of CDI

This CDI project will help us to:

- ***Improve customer service***

Currently the council relies on largely manual systems to share key information between services about a customer for example a change of address or bereavement. With CDI customers will only have to tell us once and all

interested parties (with a recognised 'need to know') will automatically be notified of a change in personal circumstances.

CDI will support the roll out of more on line services (see below) which means customers can be self sufficient 24/7 via one secure online log in. Customers will be able to check the status of an enquiry online, by phone or by visiting a Customer Service Centre.

CDI could help identify those eligible for benefits such as freedom passes and reduce the amount of time taken to identify what benefits the customer is already in receipt of. It should also make the maintenance of the list of customers who do not wish to receive services or be contacted about them more efficient.

The project includes a corporate wide reporting tool that will give us improved knowledge of our customers and facilitate effective targeting of services for example we will be able to more easily see who is eligible for free school meals but not currently claiming.

- ***Support the delivery of more on-line services***

We know that increasing numbers of our customers prefer to interact with the council using on-line services. From a council perspective, on line contact is considerably cheaper than face-to-face or telephone contact.

We don't need the central customer view that this CDI project will deliver to provide services on-line, we can develop one off solutions for each service area, but with potentially dozens of services that require some form of user authentication this would mean the customer having to remember multiple usernames, pins and passwords for each online system which is neither practical or desirable.

To make online services work, and to gain maximum efficiencies from increasing online services, we need to make it easy for people to access services and as simple as possible for staff to administer.

A key deliverable of this project is an on-line customer portal that will provide an engaging front end for the customer and be the link between them and on-line services. The customer will be able to personalise it and display their account information. We will be able to use it to draw their attention to things that are important to them, things that are happening in their area and things where they can get involved. Address based information will be displayed on Google style maps.

- ***Support multi agency working***

A reliable source of customer information will make it easier to share information with other agencies (subject to appropriate information exchange agreements being in place) as we can be more confident we are talking about the same person. For example the CDI initiative will allow us to easily identify vulnerable people who are the victim of persistent but low level anti social behaviour; this information can be shared with the Police and other relevant agencies to ensure that tragedies such as the Pilkington case in Barwell can be avoided.

- ***Deliver tangible service efficiencies and cashable savings***

Joining up systems will avoid the need to re-key information and reduce the risk of error and associated costs of correction. We will be able to reduce administration costs and improve efficiency in customer service enquiries.

A detailed business case has been developed which identifies a conservative minimum of £309,000 per year of cashable savings from year 4, which has been supported by Service Managers, together with additional significant non-cashable benefits including:

- Housing Benefits believe they will be able to increase benefit take up by £540,000 a year through improved identity management. While this isn't a cashable saving, it effectively means this money being put into the Leicester economy from central government who reimburse the benefits we pay out.
- The income collection team believe that a 10% improvement in collection rates and processing within the first year of operation with a further 20% improvement within 4 years – this would mean reduced debt of £400,000 in year 3 rising to £800,000 in year 4 (non-cashable saving)
- We will make significant efficiency savings by encouraging our customers to use our web site instead of more expensive access channels (benchmark costs are £6.56 for a face to face transaction; £3.22 via call centre, 27p for an online transaction¹)

- ***Improve fraud detection***

Improving the ability of the council to verify customer details could help reduce fraud. For example, the council would be able to verify the permanent addresses of people claiming grants, helping them decide who genuinely needs help and who is falsely claiming aid

- ***Improve performance management***

The project will implement an enterprise-reporting platform, join up systems that hold customer information and significantly improve data quality, which will provide:

- Improved reporting capability of all customer data at ward level
- A better understanding of our customer base will improve targeting of services.
- Accurate, up to date, customer information with improved data quality
- Alignment with National initiatives such as “ContactPoint”, “Tell us Once”, and “Government Gateway”
- Improved knowledge and information management
- Improved ability to share key information with external agencies and strategic partners and improved quality of the information we share.

¹SOCITM insight 2009

- **More effective information assurance**

CDI will help us to ensure that data we hold on our customers is current, accurate, relevant, secure and with no duplication.

4.3 CDI will build on existing developments

Security is a key issue in the delivery of more services via the Internet and the council have been working with De Montfort University in a Knowledge Transfer Partnership (KTP) to research and address these issues.

The partnership have been conducting research into available strategies and options, choosing the most appropriate candidate solution, implementing the necessary infrastructure and piloting a working integration with some of the back office systems used to manage the council's services. CDI will build on the work carried out to date to deliver secure access for customers to personalised information.

We have been working for some time now on a revised 'My Leicester' portal on the council's web site Leicester.gov.uk that will bring together all local based information in a new user friendly interface for our customers. The new site should be launched in March 2010.

Customers will be able to customise their view to meet their personal needs be it the 'Best Bar None' site to show the best drinking venues in their area or information about their council representative. The next development of this site (planned for the summer) will be to link in the library pages so that someone registered with this portal will also have access, via a single sign on, to the library site to reserve or renew books.

Over the next 12-18 months as we develop CDI, and procure secure identification and authentication solutions so we can tell who users are, we will add other services such as Council Tax and Housing Benefits to this same portal.

4.4 Proposed CDI Project

The proposed CDI project will join up a number of our key customer centric systems and implement new processes and technologies that will provide a consistent, accurate, single view of key customer information held by the Council.

The initial implementation will be "customer centric", focusing on people data, and subsequent improvements will incorporate "property and business data" which will maximise the benefits for transaction/case based service areas.

Housing, Registrars, Revenue and Benefits, Adults Social Care, and Customer Services will be the first service areas connected to the central record, as this will enable the most benefit and return to the Council. The remaining service areas will be connected later.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

This report details a business case for a Customer Data Integration project. The project is estimated to cost approximately £1.150m over 2 years with a further annual maintenance cost of £225K from 2012/2013.

This is an extensive project which has significant financial implications, both continuing and in the short term. The budget strategy for 2008/09 made provision for service transformation of £1.1m which has not yet been released. Funding of £700K from the ODI project for service transformation change can be used to contribute towards the cost of this project.

Cabinet approval is required for the release of £700K from the total set aside for service transformation.

This leaves a one off funding shortfall of up to £450K and ongoing revenue costs of £225K from 2012/2013. Operational Board have agreed that service divisions will fund contributions totalling £225K per annum for this project from 2010/2011. Divisions will contribute varied amounts each depending on the impact the initiative is anticipated to have on their operations.

A business case has been developed which identifies savings of £309K per year of cashable savings from year 4 (2013/2014).

Devanshi Mavani
Interim Chief Accountant

5.2 Legal Implications

Any additional procurements associated with this project will have to be in compliance with the Council's Contract Procedure Rules and/or EU procurement legislation. The proposal to share personal data across the Authority should be compliant with the Data Protection Act 1998.

Carolyn Howard
Solicitor

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	NO	
Policy	NO	
Sustainable and Environmental	NO	
Crime and Disorder	NO	
Human Rights Act	NO	
Elderly/People on Low Income	NO	

7. Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
<p>1) Risks of not doing the project or failure of the project through lack of funding</p> <ul style="list-style-type: none"> a) Not getting the benefits detailed in the Outline Business Case b) Don't know how customers are accessing services across the council c) transformation projects will have increased costs and timescales d) Adult Social Care Transformation Programme will not go ahead e) Joined up services will be very difficult to achieve and expensive to maintain. 	L	H	Rigorous Business Case clearly demonstrating a positive cost/benefit. Business case demonstrating consequences to key priority programmes if this infrastructure is not in place.
<p>2) Public Opinion is against the project</p> <ul style="list-style-type: none"> a) They may perceive it as a risk to their civil liberties or their personal data or that it will increase the risk or consequences of their identity theft b) Citizens may refuse their consent to share data or have not already given appropriate consent 	M	M	The system will be a cross reference between our existing systems to speed up administration – it will not replace our existing systems with a super database. However, our previous departmental approach to data management may have an effect on our ability to share data. An review of issues and stakeholder consultation on data sharing are is early deliverable for the project
<p>3) Business units or staff resisting CDI</p> <ul style="list-style-type: none"> a) Business units resistant to change b) Business units worried that their systems will be replaced by a central system c) “hands off our data” d) Staff worried that “efficiency gains” will mean that they will loose their job 	M	H	A programme of workshops with staff and management affected will be organised to raise awareness and consult on issues that may affect the process. This will continue the work already started in the planning for this report. The CDI project will not change core data or replace business systems – but provide a cross referencing service and allow them to work together.
<p>4) Legal ethical issues</p> <ul style="list-style-type: none"> a) DPA - we are not allowed to share information as it was collected for a different purpose b) links being made between the wrong customers 	M	M	<p>An independent review of issues associated with this project and associated data sharing will be commissioned as an early deliverable</p> <p>Data will be linked automatically where there is a certain match between customer data. Where there is a reduced probability this will be checked when the customer next contacts us and the link made then</p>
<p>5) Security</p> <ul style="list-style-type: none"> a) Un-authorized access to data <ul style="list-style-type: none"> i) hacking into the website ii) staff accessing data inappropriately or accessing data they are not authorised 	L	M	<p>Government standard authentication procedures for the public</p> <p>Penetration testing</p> <p>Staff will have access controls that will limit what they can see according to their requirements/role</p>

to			
6) Not getting the benefits we were expecting a) not linked to business change - just an IT project b) technology doesn't work c) skills shortage	H	L	It is essential that the CDI project is seen as being part of the transformational change projects as the full benefits of either will not be achieved without the other.
7) The project is just too complicated/ambitious a) trying to do too much at once b) budget costs over-run c) Time overruns	L	L	The staff data integration project has demonstrated our capabilities to deliver projects of this nature. The complexity is mitigated by breaking the project down into components. Each can exist in its own right and will give benefits. The project will be managed according to Prince 2 and LCC Project Management Standards. Project Assurance by OD&I team
8) components don't do what they're supposed to a) errors discovered by customers	M	L	Thorough formalised testing will be part of the delivery of the project

8. Background Papers

Detailed business case available on insite.

9. Consultations

A wide range of staff were consulted during the development of the business case.

10. Report Author(s)

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Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)