

	<h2 style="margin: 0;">Report to Policy Committee</h2> <p style="margin: 10px 0 0 0;">Lead Officer of Report: Claire Taylor, Chief Operating Officer</p>
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Report of:	Chief Operating Officer Executive Director City Futures Executive Director Neighbourhoods
Report to:	Strategy and Resources Policy Committee
Date of Decision:	24 th July 2024
Subject:	Future Sheffield – Customer Experience Programme

Type of Equality Impact Assessment (EIA) undertaken	Initial	<input checked="" type="checkbox"/>	Full	<input type="checkbox"/>
Insert EIA reference number and attach EIA				
Has appropriate consultation/engagement taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

Purpose of Report:

This report sets out the approach the Council is proposing to take in order to successfully implement the Customer Experience Strategy agreed in April 2024.

The Customer model is designed to operate across the whole organisation and has been developed to improve customer experience and outcomes and will have implications for the way services and functions are organised, our ways of working and how customers will be able to interact with the Council.

This report sets out how the Customer Experience Programme, as part of the Future Sheffield Transformation Programme, will enable the Council to deliver key

changes in order to successfully implement the model and achieve the vision and priorities included within the Customer Experience Strategy, approved by Strategy and Resources Committee on 17th April 2024.

This report also outlines the key relationships between the Customer Experience Programme and other significant programmes for the Council, including the council-wide Target Operating Model and the Community Engagement programme. The co-ordinated delivery of change across these areas will improve service effectiveness and delivery across the organisation whilst contributing to the robust long-term financial plan for the Council.

Recommendations:

It is recommended that Strategy and Resources Committee:

1. Note the aims and approach for the council's Customer Experience Programme, alongside its potential benefits to be developed and incorporated into the MTFP.
2. Endorse the focus of the first phase of the Customer Experience Programme, including the service areas prioritised for end-to-end customer journey development alongside the Digital Programme.
3. Agree to progress further development and delivery of the Customer model, including strengthened leadership for this function and the draw down of earmarked transformation funding to support delivery, realising the model across the Council, and associated benefits.
4. Agree for a progress report on delivery by the Customer Experience programme to be presented to the Strategy and Resources Committee in November 2024.

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed.	Finance: Adrian Hart
		Legal: Andrea Simpson
		Equalities & Consultation: Ed Sexton
		Climate: Laura Ellendale
2	SLB member who approved submission:	Claire Taylor, Ajman Ali, Kate Martin
3	Committee Chair consulted:	Cllr Tom Hunt
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Katie Mullen	Job Title: Lead Business Change Manager
	Date: 12 th July 2024	

1. PROPOSAL

1.1 Background

1.1.1 This report describes the proposed cross-council Customer model which has been developed to improve customer experience and outcomes, with associated changes for our ways of working as an organisation. It also sets out how the Customer Experience Programme, as part of the Future Sheffield Programme, will support the Council to deliver key changes to implement the model and achieve the vision and priorities included within the Customer Experience Strategy. As per the Strategy, we use the term 'customer' throughout this report to mean anyone interacting with or engaging with the council for a service, information or other type of support.

1.1.2 As a Council, everything we do is for the people of Sheffield. Customer expectations are changing, there is increasing demand, and we – like many other councils – are working with reduced resources. That means it is more vital than ever that we are connected and work as one organisation to offer outcome-focused responses for local people which best suit their circumstances.

1.1.3 The Council's Customer Experience Strategy was approved by the Strategy and Resources Committee on 17th April 2024. It sets out the Council's commitments, expectations and plans as one council to achieve a great customer experience for all. It is a council-wide strategy which describes our shared understanding and ambition for achieving great customer experience across the council. Everyone in the council is responsible for owning and contributing to making it a reality, so we achieve improved outcomes together. Alongside the Digital Strategy, the Customer Experience Strategy will help to deliver our mission and outcomes set out in the City Goals and Council Plan.

1.1.4 The Customer Experience Strategy recognises that delivering better experiences for our customers will be an ongoing journey. It sets out the following four priorities for the next 12 months which will establish the foundations we need across the council:

Improving digital access: Driving stronger use of digital tools and solutions for customers across all services.

Empowering communities: Building creative ways to communicate, connect, empower and work with our communities.

Modern customer model: Developing a cross-council model and ways of working to enhance customer experience.

A smarter experience: Using data, insight and customer involvement to deliver better and more cost-effectively.

- 1.1.5 In order to deliver against these priorities and the Strategy as a whole, we committed to put in place the resources and infrastructure to deliver its vision and ambitions. This included driving delivery through a council-wide Customer Experience Programme as part of our Future Sheffield transformation, underpinned by a clear Customer model and business case for change. In addition, we committed to regular reporting of progress against the priorities set out in the Strategy to the Future Sheffield Board and Strategy and Resources Committee.
- 1.1.6 Since the approval of the Strategy, work has been undertaken by the Customer Working Group and Customer Strategy Board to develop the cross-council Customer model and the Customer Experience Programme. It is fully aligned with the Council's Target Operating Model and it will drive the developments and future ways of working required to achieve the Council's ambitions.
- 1.1.7 Proposals are also being brought forward to develop the Council's approach to consulting and engaging with and in communities, in response to challenges identified by the Race Equality Commission, Lowcock Report, and our recent Peer Challenge, but also building on the excellent practice in place in parts of the organisation. Although broader than service delivery, a robust and consistent approach to engagement (linking to a focus on customer feedback) is a critical part of developing the intelligence and understanding required to design and deliver excellent services for, with and in response to customers.

1.2 Cross-Council Customer Model

- 1.2.1 The proposed cross-council Customer Model, attached to this report at Appendix A, will better connect community resources and council support and use digital channels more effectively to therefore allow more tailored human responses for those people who need it. It consists of four broad functions which will improve customer experience and organisational efficiency.
- 1.2.2 Firstly, **Empowered Communities** will connect and use community networks, resources and support to help customers with no or limited Council involvement wherever possible and appropriate. Developing how we work and interact with different communities will be vital for supporting greater independence and fulfilled lives while managing demand on more limited Council resources.
- 1.2.3 **Customer Access** will be the initial points of contact where the needs and circumstances of customers are understood then triaged as appropriate. They will utilise the full range of digital, phone and in-person channels so each customer can interact with the council in the way that best suits them, according to their needs and preferences. By making it more accessible and intuitive for people who want to use online services, we can better use our resources for customers who need more support.

- 1.2.4 Following the first point of contact, **Customer Management** will follow a tiered approach, based on the type and complexity of the customer's requirements. A core customer hub will seek to serve the majority of enquiries and transactions for the council where it is able to do so. General enquiries and transactions will be supported by digital options and online self-serve as far as possible, with further human responses where more supported responses are required. For more complex cases, specialist teams associated with the relevant services will understand, assess and respond to each customer's needs.
- 1.2.5 In addition, a **Customer Experience Capability** will enhance the skills, tools and methods we use across the Council to continuously improve the customer experience and develop all different types of customer journeys. This will include a stronger focus on how we use the 'voice of the customer' and feedback in developing and delivering our services, as well as designing and improving customer journeys. It will also improve our ability to use customer data and insight, as well as enable more effective workforce management, skills and development for staff in customer-facing roles.
- 1.2.6 This model is based on all those involved in customer contact and co-ordination working closely with service delivery areas to support a 'one Council' approach to reach a resolution and deliver outcomes for an individual, family or community. This will help us as a whole organisation to reduce siloed approaches and respond to our residents and customers more holistically.
- 1.2.7 Implementation of the cross-council customer model will take time and will be developed in stages over the coming years. This will allow us to deliver changes to technology, processes and how we work in an integrated and sustainable way, building trust with services across the organisation as well as our customers. However, the Customer Experience Programme is taking action now to get the right foundations in place for the future model, including Contact Centre Optimisation and designing the Customer Experience Capability, detailed further in the next section.

1.3 Moving from Strategy into Delivery - The Customer Experience Programme

- 1.3.1 Following approval of the Customer Experience Strategy, the Customer Experience Programme has moved into delivery against each of the four priorities set out in the Strategy. It has identified and prioritised the changes needed into an implementation roadmap over the short (6 - 12 months), medium (1 - 2 years) and long term (3 years plus).
- 1.3.2 The aims and key activities of this phase of the Customer Experience Programme are attached to this report at Appendix B. Its initial focus is on achieving practical improvements to customer experience online and by phone, while developing the wider foundations we need across

the council.

- 1.3.3 For the Improving Digital Access priority, the Customer Experience Programme is working alongside the Council's Digital Programme to develop how customers engage and interact with us online. This includes improving the accessibility and navigation of the Council's websites, as well as further expanding online transactions for services (starting with taxis licensing and checking and managing housing rents). This will enable more customers who want to engage with the Council digitally to do so, creating capacity for us to work with those who do not want to use digital channels.
- 1.3.4 For the Modern Customer Model priority, the Programme is also developing and transforming end-to-end customer journeys, working with the Digital Programme. It will translate the Customer Experience Strategy and model into practice for specific areas. The work will make changes in how we work from first point of contact to service delivery with a focus on the customer needs and preferences throughout. It will focus on a range of areas to reflect the diversity of customer needs and contact preferences. Four customer journeys have been identified as an initial focus, with a pipeline of upcoming journeys to further develop and transform as the Programme progresses. This is included within Appendix B.
- 1.3.5 In addition, the Programme is focusing on optimising the current Council Contact Centre. Strong practice and ways of working are needed in Customer Services as a foundation for the enhanced cross-Council Customer Model. This work will improve our current contact centre productivity and performance, while developing the capabilities, processes and improved technology needed for the future. When optimised, it will enable the function to take on more activities and responsibilities from across the Council, improving our consistency, efficiency and effectiveness as an organisation. The work is providing coaching and change management embedded within the Contact Centre to drive improvements in practice, process and performance.
- 1.3.6 For the Empowering Communities priority, the Programme is initially exploring different ways the council can work with communities so people can support themselves or others locally. It will build on existing good practice and support targeted grassroots initiatives with services to pilot new ways of working in our communities, so we can test, learn and scale up what works as a council. It will also undertake a review of the locations and service offers of our in-person contact points across the city so we can develop a more consistent and connected in-person offer in the future. This is linked with the Council's Accommodation Review and Community Buildings Review.
- 1.3.7 For the Smarter Experience priority, the Programme is focusing on designing a future 'Customer Experience Capability' which will drive stronger insight, application and championing of the 'voice of the customer' across all services delivered by SCC. This work will

undertake the organisation design and options analysis required to establish a small capability acting as a 'centre of excellence' which will further support the organisation in designing, delivering and improving all our services. This will improve how we can always put people at the heart of what we do. It will also develop how we use our information, data and intelligence to improve our performance, outcomes and respond effectively to customer needs. Recommendations for a decision on this capability will be brought forward following this work.

- 1.3.8 Delivery of the Programme will continue to be overseen by the Customer Strategy Board, as part of the Future Sheffield Programme. It is recommended that a progress report on delivery by the Customer Experience programme is presented to the Strategy and Resources Committee in November/December 2024.

1.4 Benefits of the Customer Experience Programme

- 1.4.1 The Customer Experience Programme will deliver benefits for our customers with improved access, a more joined up response, quicker outcomes, and a clear and consistent approach. It will help customers to be able to get to the solution they need, whether online, by phone, or in person. This phase of the Programme is working with specific service areas, including the Council Contact Centre, to demonstrate impact for customers upfront.
- 1.4.2 The Programme will deliver benefits for our workforce supporting our customers in Sheffield, with a more enhanced purpose in their roles as they face fewer barriers to supporting customers, plus increased productivity and development opportunities. This phase of the Programme is building our internal capacity and capability to drive further customer experience changes across the Council in the future.
- 1.4.3 Analysis of our 2024-25 General Fund and Housing Revenue Account budgets indicates that we have approximately 1100 FTE undertaking Customer Contact and Customer Co-ordination activities across the organisation (equivalent to 16% of the Council). This equates to a total staffing budget of £51m. Our workforce delivering Customer Contact and Customer Co-ordination activities are committed and seek to put people at the heart of what we do, but our practices, systems and ways of working are not as joined up as they could be. In addition, there is not single professional leadership for Customer Experience to drive greater consistency, effectiveness and outcomes for customers across the Council.
- 1.4.4 The future Customer model will enhance how we enable the workforce and use our total resources across the Council to work with and support customers. Better use of technology and digital self-serve options for people who want to use them will mean our workforce can focus more on people who need their support. More connected functions and teams for customer access and customer management

will enable a more holistic response, rather than service-by-service. The Customer model incorporates capabilities that have been underdeveloped within the Council to date. This includes strengthening how we use customer feedback and insights, how we design and deliver services with a focus on customers, and how we develop and manage our workforce to effectively serve demand and customer expectations. The next phase of the Programme will develop and set out the new service delivery structure required to underpin this model in the future.

- 1.4.5 Delivering a cross-council transformation of customer experience, addressing how the organisation interacts and manages our customers, will achieve significant financial benefits for the Council. This is enhanced by taking a whole organisation, rather than a service-by-service approach, as it increases our consistency and effectiveness. Greater efficiency and increased productivity (resulting in more capacity to work with customers who need more support) will be achieved by:

Channel shift - Getting the mix of online, phone and in-personal contact points right to support customers based on their circumstances and preferences, with increased digital self-serve and use of better value contact points for those who can and want to.

Reducing avoidable customer contact - Addressing and minimising the causes of repeat and failure demand at our first points of contact.

Better use of resources - Designing and developing services with the optimum mix of resources, consolidating activities where appropriate to realise economy of scale benefits.

Process improvement - Re-engineering end-to-end processes and using technology more effectively to integrate and automate activities, so our workforce can focus more on the customer.

- 1.4.6 A strategic benefits analysis has been undertaken against the Council's baseline of Customer Contact and Customer Co-ordination activities. A series of assumptions, informed by evidence and experience elsewhere, have been used to apply a benefits range across the council. This indicates that the Council can achieve a **total benefits potential of £5.3m - £12.7m** from the Customer Experience Programme over the coming years.

These benefits are dependent on delivering holistic transformation across the Council, driven by the goals and priorities of the Customer Experience Strategy. The upper range of benefits can only be achieved through the effective adoption of technology, automation, and significant process redesign, improving customer journeys from before they contact the Council to the point their request or need has been fulfilled. Delivery with the Digital Programme and alongside transformation within service areas is essential for fully realising the

potential of the Customer Experience Programme. The Council's Target Operating Model will provide an overarching framework for how we develop and deliver against this ambition.

- 1.4.7 While this benefits analysis illustrates the strategic potential from the Customer Experience transformation, the next phase of work will further test assumptions and focus on benefits realisation. This will enable financial benefits to be further refined and developed within the Council's Medium Term Financial Strategy.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Developing the cross-council Customer model and delivery of the Customer Experience Programme supports the City Goals and all five priority outcomes in the Council Plan. It will help all services to be focused on our communities and citizens, and how we deliver for them. It also demonstrates delivery against our People policy driver, so we listen, involve and work with local people, maximise assets and strengths of communities, and connect more people into the city's success.
- 2.2 As a key part of the Future Sheffield Programme, the Customer Experience Programme will support the overall performance and sustainability of the Council, with a significant contribution to the Medium-Term Financial Strategy. Working alongside the Digital Programme, it will focus on delivering quantified benefits from increased productivity and efficiencies.
- 2.3 Agreeing the cross-council Customer model and the approach for the Customer Experience Programme provides a clear framework for delivering the ambition and priorities set out in the Customer Experience Strategy over the short, medium and long term. As a fundamental part of the Council's Target Operating Model, it will support the organisation to deliver as 'one council' and ensure that together we get things done.
- 2.4 Following this phase of the programme (by November 2024), we expect the Council to have developed the strong practice and ways of working that are needed in the Contact Centre as a foundation for an enhanced Customer Experience function, as well as demonstrated benefits of transforming the selected end-to-end customer journeys. Alongside the Empowering Communities and a Smarter Experience workstreams, the Council will have built its capabilities, approaches and capacity to scale further change as we grow in our experience of delivering this type of transformation across the organisation.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Full consultation across Directorates, Strategic Leadership Board,

Future Sheffield Board and Heads of Service was carried out during the development of the Customer Experience Strategy (alongside the Digital Strategy) to ensure a whole organisation approach.

- 3.2 There is cross-council representation involved in the Customer Strategy Board, Future Sheffield Board and Strategic Design Authority, which have all shaped the cross-council Customer model and Customer Experience Programme.
- 3.3 Any appropriate external consultation will be carried out as part of individual projects aligned to the Customer Experience Strategy and Programme, which will be brought forward for approval in the usual way.
- 3.4 Where there are staffing implications associated with the further development and implementation of the cross-council Customer model, or associated changes within the Customer Experience Programme, appropriate internal staffing consultation will be undertaken in the usual way with those potentially affected. With a programme of this scale there will naturally be changes for employees and there will be ongoing engagement as needed.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

- 4.1.1 The Customer Strategy has an initial equality impact assessment in place, which will be expanded as the work develops.

These will focus on:

- Impacts and learning from the 4 initial areas developing in the 'Modern Customer Model' workstream specific to those areas and to more generally apply as the work expands
- ensuring that the 'Customer Experience Capability' ensures that insight and understanding of customers represents our city, including those who are heard less often
- the empowering communities bridging pilot focusses in one of our more deprived communities, which as we know correlates highly with most of protected characteristics. The bridging pilot will collect and monitor equalities data to support immediate delivery and wider learning.

- 4.1.2 We know the work will have an impact on access to Council services, and therefore taking the opportunities to reduce inequality, or differently focus resource will need to be a key consideration.

4.2 Financial and Commercial Implications

- 4.2.1 The recommendations in this report ask the Committee to agree to the further development of the customer model, with the draw down of earmarked transformation funding to support delivery. The Committee previously approved a commissioning strategy to implement Future Sheffield on 19 December 2022 which set out the objectives and scope of the work.
- 4.2.2 The existing agreed external costs are being funded from the existing Transformation Fund budget. The existing agreed internal costs are being funded through existing revenue budgets.
- 4.2.3 Any further expenditure plans will need to be fully costed and funding source identified. This will require the completion of a business case that will need to go through the relevant approval process. This may include officer approval or recommendations being brought to this committee to consider. These will need to be in line with Financial Regulations which are likely to require the approval from the Finance Committee, Strategy & Resources Committee and Full Council as appropriate.
- 4.2.4 This report starts to set out the potential savings from the Customer Experience Programme including the impact to link with the Medium-Term Financial Strategy (MTFS). Savings arising from the programme will be built into the next iteration of the MTFS, due later in the year. Any financial impact arising in 25/26 will be taken through the Council's Business Planning process.
- 4.3 Legal Implications
- 4.3.1 While there are no direct legal implications at this stage, a better functioning organisation allows us to better fulfil the complete range of statutory duties we hold.
- 4.4 Climate Implications
- 4.4.1 Sheffield has set a target to become a net zero city and Council by 2030.
- 4.4.2 Implementation of the Customer Experience Strategy will need to contribute to this, as well as take on board the need for climate adaptation. It has the potential to contribute towards embedding climate at the heart of council activity, and support greenhouse gas emission reductions across the both council and city.
- 4.4.3 At this stage, the proposals are not specific enough to judge the climate impacts of them. It was therefore agreed that climate impact assessments at this stage was not appropriate or required.
- 4.4.4 As the design and implementation of the programme develops, detailed Climate Impact Assessments will be carried out to consider

the carbon and climate impacts of any changes to the delivery of a range of projects and services, as well as what mitigation action can be taken. These will form part of future updates to this committee.

4.5 Human Resources Implications

- 4.5.1 The implementation of the Customer Experience Programme is likely to impact on how services are delivered across the Council, and this is likely to result in changes to the way services are organised across the Council. These will include roles changing, developing new skill sets from some staff groups. As these become clearer, we will actively engage with our trade union colleagues and impacted staff.

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Do nothing - The Council could choose not to implement the cross-council Customer model and not progress the Customer Experience Programme, thereby continuing to deliver as per existing ways of working. This has been rejected because the Council would fail to deliver against the commitments set out in the Customer Experience Strategy, with the resulting negative impact on demand, costs, the Council's medium-term financial sustainability, and its reputation.
- 5.2 Service by service improvement - The Council could choose to enable individual services areas to develop and implement specific changes associated with the aims and ambitions of the Customer Experience Strategy. This has been rejected because it would not achieve the 'one council' approach and the holistic outcomes and financial benefits envisaged in the Council Plan and the Future Sheffield Programme. In addition, the delivery of change and improved ways of working risks being impeded by operational pressures.
- 5.3 Targeted change projects - The Council could choose to focus resource and capacity on specific cross-council targeted developments outlined in the Customer Experience Strategy. This would have some impact for key customer journeys and services. However, it has been rejected as it would not deliver greater connectivity and consistency for customers, and it would not sufficiently address duplication, fragmentation and gaps across the Council, where there is significant potential to improve the efficiency and effectiveness of our customer arrangements.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 The Customer Experience Programme, alongside the Digital Programme, is a key pillar of the Council's four-year transformation programme, Future Sheffield, which is aimed at improving service

effectiveness and delivery across the organisation whilst creating a robust long-term financial plan for the Council.

- 6.2 Delivering a whole council approach for Customer Experience, as part of the development and implementation of the Council's Target Operating Model, will achieve more joined-up services, greater effectiveness and efficiencies which could not be achieved by individual siloed changes. Areas prioritised for delivery in this phase of the Customer Experience Programme have been selected for their good potential impact and relative ease of delivery. As the Programme progresses, the Council will develop the capabilities and infrastructure to successfully deliver for more sweeping and potentially complex changes.
- 6.3 The Council's Customer model needs to change to deliver against the vision and ambitions of the Customer Experience Strategy. This phase of the Programme will enable our main first points of contact to be optimised and establish solid foundations for further transformation over the medium-to-long term. It will also develop and strengthen capabilities that we have not recently had as a Council, such as how we embed the use of customer feedback and business intelligence to design and deliver services.
- 6.4 By moving from Strategy into delivery, the Customer Experience Programme will begin to demonstrate the benefits and tangible change to the organisation and our communities. This will build the momentum and our ability to deliver wider transformation, with strategic oversight by Future Sheffield Board and the Strategy and Resources Committee.
- 6.5 The whole organisation customer model has been aligned to the development of the target operating model and is a vanguard for how the other aspects of the Target Operating Model will be delivered over the coming months.