

Report to: **Overview and Scrutiny Panel**

Date: **21 November 2019**

Title: **Customer Satisfaction Survey**

Portfolio Area: **Customer First – Cllr Nicky Hopwood**

Wards Affected: **All Wards**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:
(e.g. referral on of recommendation or implementation of substantive decision) **Executive and Council**

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RECOMMENDATION:

That Overview and Scrutiny Panel notes the results from the Customer Satisfaction Survey and notes the proposed way forward in section 5 of the report and makes any necessary recommendations to the Executive.

1. Executive summary

- 1.1 This report is presented by the portfolio holder for Customer First and details the scores achieved by the Council as part of a recent Institute of Customer Service customer satisfaction benchmark survey.
- 1.2 The data in Appendix A clearly shows that the Council's overall Customer Satisfaction has improved with nearly a 12% improvement in delivering service right first time; a 10.8% reduction in customers who had cause to complain; and an increase in satisfaction across all channels of communication - including a 8.5% satisfaction by phone and 7.7% satisfaction by web.
- 1.3 However, whilst the Council's scores are up on last year, it is recognised that the Council still has much to do, to be on a par with the top national performers across all sectors. This report therefore includes a recommended next steps (detailed in section 5) with a view to building on progress made to date and to further improve the Council's customer satisfaction scores.

2. Background

- 2.1 In 2018 the Council in partnership with West Devon Borough Council became a Member of the Institute of Customer Service. The Institute is an independent, not for profit membership body with over 480 organisational members. 80% of members are from the private sector and 20% from the public sector. The Institute is renowned for providing customer survey, benchmarking and training services.
- 2.2 The purpose for joining the Institute of Customer Service was to obtain a true benchmark of our customers' experience against the best private and public organisations in the country; and more importantly use our membership to learn from the top performing companies as to how best we can improve our customer service.
- 2.3 It's important to note top scoring organisations include Amazon, First Direct, O2, Marks and Spencer, BMW and government agencies such as HMRC and DWP.
- 2.4 On 19 June 2018 the Council launched its first Institute of Customer Service Survey by contacting over 3,000 South Hams District Council customers. Contact was made by either email or text.
- 2.5 On 7 October 2019 (to coincide with National Customer Service Week) the survey was repeated. As before customers were only contacted if they had had dealings with the Council within the last three months. Each email was personalised with the customer's name and their reason for contacting the Council. Customers were asked to provide honest and anonymous feedback on their recent customer experience. Customers did this by clicking on a link which took them to a survey hosted on the Institute of Customer Service survey portal.
- 2.6 On the two occasions the Council has undertaken these surveys we have achieved a very good response rate of 13% thus far exceeding the Institute of Customer Services minimum return rate of 100 responses.
- 2.7 The survey responses are used by the Institute of Customer Service to benchmark the Council against the UK Customer Satisfaction Index. The index is updated twice a year and canvasses the opinions of 10,000 UK customers.
- 2.8 2019 survey results can be found in Appendix A, which for ease also includes comparison figures against the Council's 2018 results.
- 2.9 It is important to note, Appendix A shows combined scores for South Hams District and West Devon Borough Councils. The reason for this is because the Councils' share one workforce who service customers regardless of whether they are a South Hams or West Devon customer.

3 Outcomes/outputs

3.1 When the Council conducted the survey last year it pledged to improve results across the board but in particular deliver the following:

- *Outcome 1 - Improvement in overall benchmarking scores*
- *Outcome 2 - Improvement in 'right first time'*
- *Outcome 3 - Improvement in 'keeping customers informed'*

3.2 Outcome 1

In 2018 the Council stated it would achieve a minimum 5.1 point improvement and a stretch target of 7.5 improvement in the Council's overall benchmarking score in the 2019 Customer Satisfaction Survey. Thereby bringing the Council's score in line with the average national UKCSI (UK Customer Service Index) for local councils of 63.4 in 2018.

2019 Result:

The Council achieved a 6.6 point improvement to 64.9 points whereas the average local council score in 2019 has dropped by 2.6 points to 60.8 points. Therefore making South Hams District and West Devon Borough Councils' score **4.1 points higher** than the national local council average.

3.3 Outcome 2

In 2018 the Council stated it would achieve a minimum 15% uplift to the Council's 'right first time' score in the 2019 Customer Satisfaction Survey. Thereby bringing the Council's score to 56.3% and slightly surpassing the average national UKCSI (UK Customer Service Index) for local councils of 56.2%

2019 Result:

The Council achieved an 11.8% improvement, resulting in a score of 53.1%. Therefore bucking the national downward trend and making South Hams District and West Devon Borough Councils' score **0.5% higher** than the national council average in 2019.

3.4 Outcome 3

In 2018 the Council stated it would achieve a minimum 1.2 point uplift and a stretch target of a 2.7 point increase to the Council's 'keeping customers informed' score in the 2019 Customer Satisfaction Survey. Thereby bringing the Council's score to 6.2 and in line with the average national UKCSI (UK Customer Service Index) for local councils or in line with the UKCSI average for all service sectors if the stretch target were achieved.

2019 Result:

The Council achieved only a 1 point increase bringing its score to 6 points. Therefore making South Hams District and West Devon Borough Councils' score **0.2 points lower** than the national council average in 2019.

- 3.5 It is important to note that these results have been achieved without any additional resources. Furthermore, the progress made is considered a significant achievement considering that the Institute of Customer Services own reports show that nationally, all sectors saw a reduction in customer satisfaction by 0.8 points compared to the same period last year – see page 3 of Appendix A.

4 Options available and consideration of risk

4.1 Do nothing option

The Council could choose to disregard the results of the Council's recent Customer Satisfaction Survey and take no further action. However, in doing so the Council would be failing to act upon valuable customer feedback and would be at risk of reputational harm.

4.2 Take action option

By taking action as detailed in section 5 below the Council would be proactively responding to the Customer Survey results. It is therefore deemed appropriate to pursue this option.

5. Proposed Way Forward

- 5.1 Clearly the Council should strive to get all services delivered 'right first time', every time and in doing so ensure customers are kept well informed. To ensure customer satisfaction improves it is recommended the following actions are pursued:

5.2 Customer Service Improvement Manager

As part of the Council's Extended Leadership Team restructure due to take place in December 2019 it is proposed a dedicated Customer Service Improvement Manager post is created to ensure the Council puts the customer at heart of everything it delivers. The role would particularly focus on enhancing the service we provide to our customers and communities and setting the standard for excellence in service delivery across the organisation.

5.3 Complaint Handling Review

The results in Appendix A, page 11 clearly show that there is still a significant need for the Council to improve its complaint handling compared to the national top performers. It is envisaged that when in post the Customer Service Improvement Manager will conduct a review of the Council's complaint handling and ensure steps are in place to learn from complaints and ensure complaints of a similar nature do not materialise again in future.

- 5.4 Staff Meetings, Performance Monitoring and Training
It is proposed Customer Service continues to play a pivotal role in staff away days and team meetings. Whereby staff take stock of service delivery and come together to discuss and trial potential improvements. Performance monitoring is also key and it is proposed that all staff are continued to be given very clear customer targets, relevant to their role and are monitored to ensure these target are achieved. Where targets are not met it is crucial that resources are in place to support training and development.
- 5.5 I.T. Procurement and Improvement
It is recognised that the Council's work processing software is not as slick as it could be which has resulted in numerous work arounds over the years and an inability to keep track of a customer requests as well as we'd like to. It is proposed that over the course of the next 12 months software is put in place to better manage and prioritise service requests and ensure functionality is in place to clearly keep customers informed and process request efficiently.
- 5.6 Continued Surveying
The Customer Satisfaction Survey results have undoubtedly highlighted the need for continued customer service improvement. It is therefore proposed surveys continue in order to gain a clear insight on where improvement is needed. In addition to this it is recognised the importance customer focus group play in testing new ways of delivery before improvements are made. As such it is proposed a concerted effort is made to involve customers in the IT improvement programme detailed above.
- 5.7 Progress Reporting
It is felt that in order to improve Customer Service it very much needs to remain high on the Council's agenda. It is therefore proposed progress reports are regularly presented to Members of the Council via relevant Committees, as well as to staff via the Council's in-house, weekly e-newsletter the Friday Flash.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Overview & Scrutiny Panel have a responsibility to assist the Council in identifying areas for improvement and to make any necessary recommendations to the Executive and Council.
Financial	Y	There are no financial implication as a result of this report that have not already been budgeted for.
Risk	Y	A failure to review and act upon customer satisfaction levels could lead to: Lack of coherent delivery Reputational harm

		Ineffective use of resources Poor quality service These risks are mitigated by: The recommendations outlined in this report
Supporting Corporate Strategy	Y	Council Theme – Efficient and Effective
Climate change – Carbon / Biodiversity Impact		Striving to improve customer satisfaction and delivering services right first time ensures valuable resources are not wasted in re-doing work.
Comprehensive Impact Assessment Implications		
Equality and Diversity		None – no policy or service change is proposed in this report.
Safeguarding		None – no policy or service change is proposed in this report.
Community Safety, Crime and Disorder		None – no policy or service change is proposed in this report.
Health, Safety and Wellbeing		None – no policy or service change is proposed in this report.
Other implications		N/A

APPENDICES

Appendix A – Customer Survey Results