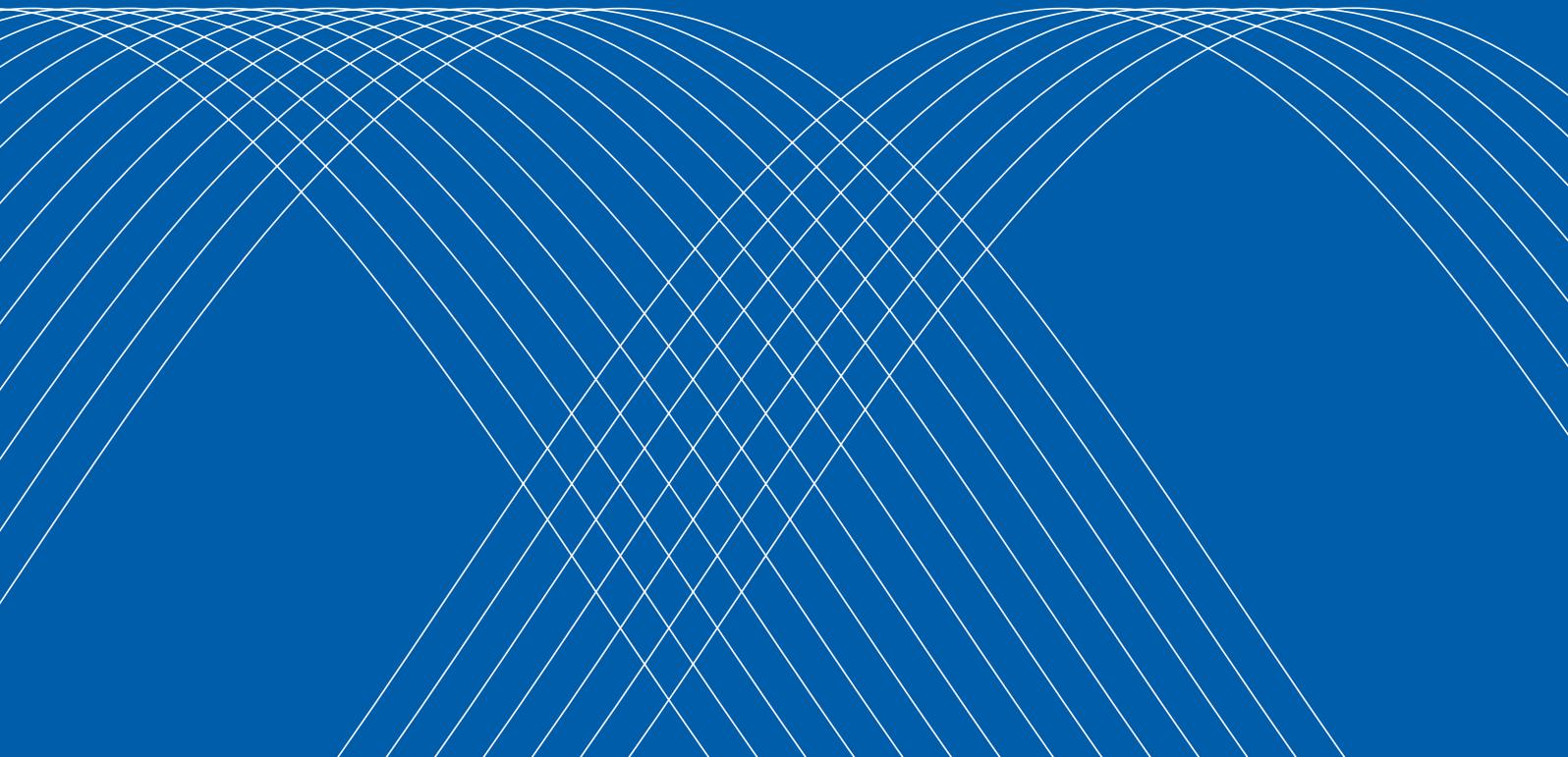




The Customer Voice in Transforming Public Services

The Government Response





‘The Customer Voice in Transforming Public Services’

The Government Response

Government Responses

Introduction

The Government welcomes the independent report by Bernard Herdan *'The Customer Voice in Transforming Public Services'* which was published in June 2006.

The Government has a clear vision: everyone should have access to public services that are efficient, effective, excellent, equitable, empowering and constantly improving. This means that public services need to be citizen-centred and responsive and delivered in ways that empower and involve citizens.

Mr Herdan's report plays an important part in progressing that agenda and achieving these goals will make a significant contribution towards the Government's wider objectives of greater social justice and a higher quality of life for all.

The initial focus of the review was on the Charter Mark scheme but we fully support Mr Herdan's decision to extend his remit to "... *focus not just on the Charter Mark, but more broadly on improvements in terms of outcomes, for citizens as users of public services.*" This broader perspective is crucial if we are to successfully meet the challenge of the transformational government agenda.

Mr Herdan's report is therefore an important component of the Government's overall approach to public services reform and links with other important initiatives (for example, Sir David Varney's independent review of service transformation). The responses we make in this document have therefore been shaped and developed with a clear view to that broader agenda. The response also sets out our overall conclusions recognising that these will be developed in further detail over the coming months.

The Government believes it is important for all public services to focus on improving skills and understanding in order to better meet the needs of customers. It is essential that practical, transformational tools are available to support and enable organisations to increase the skills of their staff and to raise the levels of awareness and knowledge about their customers. In this way organisations will be better equipped to improve the service they provide.

We have considered the recommendations carefully and have consulted widely. We are confident that there is a broad level of support for a new standard and a recognition of the value of providing a powerful and effective tool in delivering effective customer focussed change.

The Government believes therefore that our proposals will play an important part in the delivery of citizen-centred and responsive customer focussed public services to the benefit of all users.

The Government's responses to the recommendations in the report are therefore given below.

Recommendation 1:

The Charter Mark should be repositioned as a combination of the unique comprehensive diagnostic tool for public services which enables organisations to achieve continuous improvement, together with the demonstration of outcomes through the measurement of customer satisfaction.

We agree that the new standard should be clearly focussed on customer service issues within the transformational government agenda. In this way we believe the new standard will play a crucial and unique role in delivering customer focussed improvement to public service organisations and engender a culture of continuous improvement.

The new standard will set out rigorous requirements around understanding the customer, including the measurement of satisfaction. The distinctive focus on deeper customer insight and the delivery of improved customer service will play an important role in the continued improvement of public services.

Recommendation 2:

The new Charter Mark should continue to deliver the benefits of staff recognition and celebration of achievement.

We agree that recognising achievement and celebrating success is an essential part of the ethos of the standard and this will be strongly encouraged under the new arrangements. The new standard will be rigorous and will signal significant achievement in which staff can take real pride.

Recommendation 3:

The new Charter Mark should be totally aligned with the five key drivers of customer satisfaction, subject to their validation in the context of public services in this country. The validation process should be completed within three months. Any existing Charter Mark criteria not relevant to these key drivers should be dropped.

We agree that the key drivers of customer satisfaction should form part of the basis of the new standard, following the principle that customer needs and preferences should be the starting point for service design and delivery. There is a good case for focussing much of the content of the new standard on the drivers of satisfaction but, whilst we agree that extraneous issues should be excluded, we think it important that the design and content of the standard should allow for further improvements to be made in the light of experience.

This will afford the opportunity to include issues which whilst not directly a driver of satisfaction may be a crucial element in the better design and/or delivery of service where material genuinely adds value to a fuller and/or more rounded perspective on customer focus issues. For example good coordination and partnership working is crucial to excellent service and is encouraged in the standard. It is important that such areas and those new and emerging innovations and approaches to customer focus are reflected in the new standard.

Recommendation 4:

The scheme should incorporate a framework for more rigorous measurement of customer satisfaction built around the same key drivers. Surveys should be commissioned and owned by organisations delivering public services but with the requirement to include a minimum set of common core questions and to employ a robust methodology.

We agree that the new standard should be more focussed on robust testing of outcomes for customers. In particular effective measurement of satisfaction and the use of other citizen perspective measures are important for public service organisations across all service channels. The new standard will stimulate the development and application of new skills in this area. We believe that the most important focus here should be on encouraging awareness and commitment to good satisfaction measurement and the empowerment and encouragement of creative and innovative solutions. We will therefore within the new standard require the robust measurement of satisfaction, as well as the use of other tools for generating relevant and meaningful customer information ('insight') and more importantly, the informed use of that material in the design and delivery of services. We will however allow for flexibility of approach according to the needs of individual organisations as we do not believe that a prescribed 'one size fits all' methodology is practical or desirable.

Recommendation 5:

The combination of the redesigned diagnostic quality improvement tool and new customer satisfaction measurement framework should form a new scheme to replace the Charter Mark. This should be given a new name and branding to signal the scale of change and fresh direction. These should be developed in the next six weeks before the results of this Review are announced together with an implementation plan.

We believe the more rigorous approach to the measurement of customer satisfaction and the wider customer focus issues contained within the new standard presents a challenge to public services and an opportunity to drive real improvement. In this context we agree that it is desirable to signal these substantial changes through a new approach to the name and branding of the standard. As the report notes, this is an issue on which there are mixed views. In consultation some felt that the value of the existing Charter Mark 'brand' was considerable and should be retained whilst others felt that a fresh name and brand should be developed to signal the development of a new standard.

We therefore need to strike the right balance between these views as we develop a new approach ensuring that, where appropriate, sensible transition arrangements are put in place. Details of a refreshed brand will be announced in due course.

Recommendation 6:

The rejuvenated Charter Mark should be positioned to play an important role in the broader landscape of Service Transformation and the reform of public services to meet rising and changing public expectations

We agree that the new standard will form an important part of our overall approach to transformational government. The reform of public services can include challenges at all levels from the strategic centre to front line delivery. The new standard will act as an important tool for empowering this change and for sharing good practice.

It will also be important to ensure that there is close cooperation with other tools (for example, lIP) so as to provide maximum benefit and economy for customers.

Recommendation 7:

The new Charter Mark should continue to be subject to rigorous external validation by accredited organisations so that results can be relied upon by others, but the processes should be streamlined with more reliance on organisations undertaking self-assessment. Accreditation should be undertaken on a rolling annual basis using risk-based sample checks and visits.

Robust assessment and independent certification will continue to underpin the new arrangements. We agree that the external validation process should be rigorous so as to provide confidence in the scheme and to maximise the business benefits for applicants. We also agree also that self assessment, peer review and similar approaches can play an important part in engaging public services with the standard and maintaining their performance against the criteria. It is our intention that we make as much use as possible of such approaches so as to deliver enhanced benefits and added value for those that use the tool.

Recommendation 8:

Having established basic and universal criteria for the new Charter Mark scheme (based on the five drivers of customer satisfaction), detailed criteria, specific guidance and case studies should be developed to match the needs of particular sectors.

We believe it important to establish that the new standard will be applicable to all public services, irrespective of sector, scale, location, or region. The basic concepts at the heart of customer service are universal and will apply across all boundaries. We recognise however that the degree of importance of each element and the interpretation of the concepts will vary across sectors and between service types. We will therefore work towards establishing specific guidance and/or case studies where these can add real value. This is a process that can best be delivered in the light of real experience of operating the standard and we envisage therefore that the production of guidance and other forms of advice will be an ongoing task of the development and administration of the scheme.

Recommendation 9:

Work should be taken forward (with endorsement by Ministers) by inspectors and regulators – for example in the health, education and local authority sectors – to find ways in which their inspections could place reliance (in part) on the new Charter Mark, with its emphasis on externally validated demonstration of outcomes. Where this can be achieved, those organisations which choose to acquire the new Charter Mark would benefit from improved efficiency through relief from regulatory burden.

We agree that it is desirable that as the new standard is developed and introduced we should seek to establish meaningful co-operation and recognition between regulators and inspectors whilst not compromising their purpose and independence. Exploring opportunities for this closer cooperation will therefore be an important element of the ongoing development and growth of the scheme.

Recommendation 10:

The new Charter Mark scheme should be mainly targeted at organisations which deliver public services, whether they are in the public, private or not-for-profit sectors. Outsourced private sector organisations should be encouraged to participate in the new scheme.

The new standard will support public service organisations seeking to put their customers at the heart of what they do – it is fundamentally a tool to drive customer-focused public service reform. We agree therefore that it should be primarily targeted at this audience, acknowledging also that the new delivery landscape includes providers from public, private and the third sector.

However, we also agree that any organisation should be able to choose to use the standard and that no restrictions on this will be imposed.

It is also important to recognise that the standard will be useful in driving improved skills around customer issues thus helping to build skills in the workforce. We will work closely across government to ensure that we maximise the potential benefits that this can deliver as part of our education and skills policies so as to improve economic performance.

Recommendation 11:

The new Charter Mark should be designed to act as a spur for continuous improvement. There should be levels which can be achieved for each criterion, and awards made per sector at individual/ team/organisational level at high profile events which would celebrate and publicise achievement and success.

We agree that an important factor in the design of a new standard should be its effectiveness in supporting continuous improvement. It will encourage public service organisations to aspire to excellent levels of customer service, comparable with best practice within the public, private and third sectors. The standard will test sustained improvement over time and encourage benchmarking with comparable services.

We believe, however, that developing different levels of attainment would be unnecessarily complex and could be administratively burdensome. We believe that

greater benefit and administrative simplicity can be achieved through a single standard for excellence which is sufficiently challenging to allow for continuous improvement and will present fresh challenges for even the most customer-focussed public service organisations.

Recommendation 12:

Given the important role which the new Charter Mark could play in the ongoing transformation of public services, it cannot be totally outsourced. There should be a central unit in the Cabinet Office or Prime Minister's Delivery Unit to run the scheme, lead the increased marketing which will be needed, manage outsourced service providers and ensure there is maximum impact on improving standards of public services. Sponsorship of this unit could well sit with the Service Transformation Board (or the Delivery Council which is under consideration).

As is recognised in the report, the day to day administration of the scheme can sensibly be undertaken at arms length from government and we will explore ways in which this will be achieved. We also agree that the ownership of the new standard and policy responsibility for it should be retained in government so as to allow for its current and future alignment with the policy for public services. Effective sponsorship will also be important and will form part of our wider approach to transformational government. Consideration of where a sponsorship role might fall will therefore need to be considered further in the context of recommendations that may be made by Sir David Varney in his review of service transformation.

We will therefore clarify the supporting sponsorship arrangements and administrative support in due course.

Recommendation 13:

The majority of the new scheme delivery should be undertaken by the private sector. There should be further work to define the scope of outsourced service provision, with potential for several providers to be granted a three-year franchise subject to regular re-competition. There may also be possibilities to enter into joint venture or collaborative arrangements with private sector organisations to deliver aspects of the scheme, and these should be explored.

As recognised in our response to recommendation 12, we agree that day to day delivery of the scheme can best be provided outside the Cabinet Office. Appropriate arrangements will be put in place for the delivery of assessments independent of the Cabinet Office. We also agree that opportunities for partnerships should be pursued where they add value for customers.

Recommendation 14:

Most of the cost of the scheme operation should continue to be carried by the organisations which seek and gain the new Charter Mark accreditation. Other income should be gained from sponsorship of award ceremonies, provision of surveys and benchmarking services and marketing activities, for example teaming with a national newspaper to produce an annual supplement on excellent public services.

We agree that the new standard should be a fee based scheme. The concept of options for mitigating the level of the fee by developing other revenue streams and activities is one that we will encourage.

Recommendation 15:

Charter Mark holders have valued the endorsement they have received from Ministers and previous high profile Charter Mark award events. The new scheme should not lose these features or break this connection with Ministers. The scheme should be seen as a valuable lever for the Government to drive up standards as it seeks to measure and improve delivery of public services by Departments and Agencies, and Ministers should be seen to be actively engaged in this initiative.

We agree. Ministers recognise that the new standard will be an important tool helping the delivery of improvements in public services and will continue to fully support it. Cabinet Office ownership of the standard ensures the continued link with Ministers and signals its value as a practical tool for raising levels of customer service across public services.

Recommendation 16:

Once the re-branding work has been completed, there should be a high profile launch event to announce the results of this Review and the implementation plan for the new scheme, setting out how this fits with the broader Service Transformation and public service improvement landscape.

We agree that an effective launch for the new standard is important. This will form part of a structured approach to marketing. Plans for the launch of the new standard will be announced in due course.

**Cabinet Office
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