

# Report

7

Report to:	<b>Performance and Review Scrutiny Forum</b>
Date of Meeting:	<b>26 October 2010</b>
Report by:	<b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>National Diagnostic Project – Customer Contact</b>
----------	---

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ inform the Performance and Review Forum of the work undertaken and improvements proposed following a review of Customer Contact services within the Council

## 2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendations:-

- (1) that the findings of the review be noted;
- (2) that the improvement proposals outlined in section 9 be noted;
- (3) that the revised structure at section 11 be noted; and
- (4) that the Performance and Review Forum approve the report being forwarded for presentation to the Executive Committee on 3 November 2010.

## 3. Background

3.1. As part of the National Diagnostics Project a group, led by the Executive Director (Community Resources) was established to review and propose improvements to the way the Council provides customer contact services to our residents. Following interim proposals agreed by the CMT on 21 January 2010 further work was undertaken by the review group with a view to developing more detailed proposals for the implementation of the recommendations from the above report. A working group chaired by the Head of Support Services, Housing and Technical Resources, was tasked to further investigate the work required to achieve the above outcomes.

3.2. The review was proposed on the basis of the variety and number of different methods of customer contact in operation within the council and between different Resources, the lack of consistency and the current costs associated with the services.

## 4. Objectives of the review

4.1. A summary of the objectives of the Review are as follows:-

- ◆ reduce the number of Contact Centres the Council has
- ◆ reduce the number of main Council contact telephone numbers
- ◆ develop a Council wide Strategy for Customer Contact
- ◆ achieve service delivery cost reductions in light of the increasing financial challenges facing the council

## **5. Review methodology**

### **5.1. Compare**

The review group undertook a process of comparison with both other local authorities but also with technology available in the private sector. This involved site visits, presentations from private service providers and market research being undertaken. The objective of this exercise was to understand what services were available which SLC were not using and could result in improvements if adopted.

### **5.2. Consult**

A comprehensive consultation exercise was undertaken throughout the council area with approximately 4,500 responses. The exercise covered how often residents used our services, their preferred method of contact their satisfaction with the current service and their future preferred future method of contact. A summary of the findings is shown at appendix 1.

### **5.3. Challenge**

Whilst the current service provision is very good in all areas, the working group identified areas of weakness as a result of both wasted work caused by services not being completed right the first time, duplicate work due to service request not being completed at the first point of contact and ineffective practices due to a reliance on either manual or ineffective electronic systems.

### **5.4. Compete**

The working group did consider outsourcing various aspect of customer services in particular the Call Centre functions, however following presentations from external parties and past experience, it was not deemed a viable solution.

## **6. Current service delivery model**

### **6.1. Current delivery model**

Customers contact the Council through three main channels:-

(i) Telephone (Call Centres)

The council currently has 5 call centres with an additional one proposed, over 3 Resources and these are as follows:-

General Switchboard (located in Almada St, Finance & I.T.)

Customer Services Centre (located in Blantyre, general enquiries and payments, H&TR)

Land Services Uplifts (located in Blantyre, Community Resources)

Housing Repairs (located in Cambuslang Gate H&TR)

24 hour Call Centre (Out of Hours Repairs, Road Repairs, Alert Alarms, H&TR)

Housing / Council Tax Benefits (currently being developed by H&TR).

As well as contacting the call centres customers can contact officers direct through over 150 published numbers.

(ii) Face to Face

The council currently has 8 Q&A's located in town centres, three satellite offices located in Strathaven, Forth and Coalburn and a variety of local Resource specific offices.

- (iii) Self Service (web, e-mail, automated payment facilities)  
The Council currently accepts a variety of transactions over the phone including payments, requests for special uplifts and Council house repairs.

## 7. Volume and contact costs

- 7.1. The table below illustrates that our customers main contact method is by telephone and also highlights the variation in the costs of providing the services between the 3 contact methods with face to face being by far the most expensive.

<u>Contact</u>	<u>Number of contacts</u>	<u>Cost / Contact</u>
Telephone	1,500,000	£2.39
Face to Face	325,000	£14.44
Web	120,000	£0.47

## 8. Factors identified as restricting service improvement

- 8.1. The review identified the following factors as matters which were either restricting improvements in the council's objectives or causing inefficiencies to the services provided and these include:-

- ◆ the provision of 5 different call centres by 3 different Resources using a different working patterns, procedures, staffing structures and hours of opening
- ◆ the duplication of work streams between different call centres with customer services being affected
- ◆ the ineffective use of staff time with patterns in customer service requests not matching staff availability, this is highlighted by the fact that most customer service requests occur on Monday's and reduce as the week progresses but staffing structures do not follow this pattern
- ◆ the inability to most effectively use staff resources during peak periods of customer service requests due to Call centres being located within different Resources
- ◆ substantial variation in the use of the different Q&A facilities with satellite offices rarely used
- ◆ the lack of self service facilities in other Council locations, at present 'fast track' telephones which allow direct contact with the Repairs Call centre are provided in the Q&A's and are very popular however this service is not provided for other areas of customer contact or in other Council locations
- ◆ the minimal use of automated telephony systems currently available which can assist in reducing customer waiting time but also free up staff time. One such example is the use of a system which can tell people when they should enquire about outstanding Benefit claims
- ◆ the current use of our I.T., including the WEB with lack of integration between Resource systems and variations in the way customer contact systems are utilised in the various Resources
- ◆ better use of the WEB was also highlighted with areas of improvement including Housing Benefits and Waste uplifts identified
- ◆ the number of telephone numbers from which the public can choose from when contacting the main Council services resulting in many cases of calls requiring

to be transferred resulting in poor customer services and ineffective use of staff time

- ◆ the provision of the 0800 'free-phone' number was highlighted as unpopular in the recent customer survey. A high proportion of customer telephone requests are from mobiles and there are substantial call charges made by suppliers when dialling such numbers

## **9. Proposed Improvement Plan**

9.1. On consideration of the above the review group have proposed a variety of improvement actions which will, if approved, assist in addressing the matters noted. These improvements cover Management and staffing arrangements including use of property and the use of I.T. and other technology:-

### 9.2. Management and staffing arrangements

- ◆ the formation of 1 call centre under the management of H&TR with a revised, integrated, streamlined management structure. To ensure customers still receive specialist information it is proposed that there will be staff dealing with Repairs, Benefits, Land Services, general customer requests / payments and the Council's switchboard, this will require the transfer of staff from Community and Finance & I.T. Resources who currently work on the Special Uplift call centre and the switchboard
- ◆ a review of correlation or otherwise between service request times and staff availability to ensure staff availability is maximised at peak customer service request times
- ◆ undertaking Business Process Re-engineering (B.P.R.) exercises for all services currently providing customer services to ensure all areas of wasted / repeat work is removed

### 9.3. Use of Property

- ◆ develop proposals to provide one location for the unified call centre as noted at the first bullet point at 9.2
- ◆ review of the use of all Q&A accommodation to develop proposals for the most effective customer facing office requirements

### 9.4. Use of I.T. and other technology

- ◆ the development and implementation of automated telephone systems including reviewing the use of the way customer information systems are used within the Council
- ◆ further development of the WEB to ensure enhanced automated services are implemented

- ◆ reduce the number of main telephone numbers to 7 covering the 5 specific call centre activities and social work and housing offices. Other council properties such as schools and leisure centres would still maintain their own telephone number
- ◆ introduce a low cost 0303 number to replace the 0800 numbers for the calls noted above

## 10. Service Improvement Targets

- 10.1. If the recommendations of this report are agreed the Resource aims to achieve service improvements as a result of the revised operational structure, improved procedures and more effective technology. The service improvement targets are:-

<b>Objective</b>	<b>Reduced numbers of transactions/year</b>
Q&A, reduction by 20% in the number of enquiries due to repeat visits	65,000
Transfer 10% of Q&A enquiries to the Web	32,500
Transfer 25% of telephone enquiries to automated systems / Web	375,000
Total reduced transactions requiring staff per year	472,500

If the improvement proposals at section 9 are successfully implemented and the above targets achieved the new service would result in both improved customer satisfaction and reduce costs.

## 11. Employee Implications

- 11.1. The current structure shown includes f.t.e. proportions for the 24 Hour centre and allows for 30% back office staff remaining in Land Services and is as follows:-

	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Principal Officers	6	4	-2
Team Leaders	14	9	-5
Employees grade 2	93	71	-22
Employees grade 1	54	41	-13
<b>Total</b>	<b>167</b>	<b>125</b>	<b>-42</b>

- 11.2. The proposed structure will only be achieved when all services are fully integrated and all BPR exercises are satisfactorily concluded.
- 11.3. It is estimated that it will take approximately three years for the full service to be concluded. It is therefore proposed that the existing group continue to work with Personnel Services and the Trades Unions to minimise the impact on individual staff members through non filling of vacancies, transfer of staff between sections and if appropriate other enhancements for staff reductions on a case by case basis.
- 11.4. Due to the variety of tasks currently undertaken by staff in the various Resources it is proposed that a unified revised job matrix will be developed for staff within the new service.

## 12. Financial Implications

12.1. It is anticipated that the following savings can be accrued to the Council and will count to-wards future Council's savings targets.

	2011/12	2012/13	2013/14
Salaries	£150,000	£450,000	£969,000
Overtime reduction	£50,000	£50,000	£50,000
Removal of the use of Summer staff	£52,000	£52,000	£52,000
Savings in Property/Admin Advertising costs	£57,000	£57,000	
Cost of IVR implementation	(£10,000)		
Staff/ office re-location	(£12,000)	(£6,000)	(£6,000)
CRM development	(£50,000)	(£100,000)	
Pension enhancements	(£100,000)	(£150,000)	
<b>Total projected savings</b>	<b>£80,000</b>	<b>£353,000</b>	<b>£1,122,000</b>

## 13. Other Implications

13.1. It is vitally important to consider the potential impact on back office functions through implementation of a unified Customer Contact Centre. The separation of Contact Centre and back office work requires to be subjected to detailed Business Process Reviews to ensure the effective use of staff time, that service requests are fully dealt with first time and that the overall performance is not adversely affected by the separation of duties.

13.2. The risks associated with the above together with the risks associated with other aspects of the project will be added to the relevant Risk Registers subject to the formal approval being obtained to progress the project.

## 14. Equality Impact Assessment and Consultation Arrangements

14.1. Consultation by group members has taken place with Trades Unions representatives and staff from all three Resources concerned.

14.2. Equality Impact Assessments on the proposals have been undertaken and the findings are that the proposed changes will not have an adverse impact on any specific groups or individuals.

14.3. The results of a survey involving 4,381 residents in April 2009 have been factored into the proposed improvements.

**Lindsay Freeland**

**Executive Director (Housing and Technical Resources)**

11 October 2010

### **Link(s) to Council Objectives**

- ◆ Improve the quality of services
- ◆ Promote sustainable development
- ◆ Efficiency and effectiveness
- ◆ Modernise Services
- ◆ Maximise Resources

### **Previous References**

- ◆ CMT 21 January 2010 'N.D.P. Customer Contact' Report by Norrie Anderson
- ◆ Customer Contact Group 17 June 2009 'Results of consultation on accessing council services and information' Report by Gill Bhatti
- ◆ CMT 25 February 2010 'Alternative Workstyle, home-working flexible & mobile working' Report by Kenny Downes Customer Services Support Manager
- ◆ CMT 19 August 2010 'NDP Customer Contact' Report by Patrick Murphy

### **List of Background Papers**

None

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Patrick Murphy, Head of Support Services

Ext: 4065 (Tel: 01698 454065)

E-mail: [patrick.j.murphy@southlanarkshire.gov.uk](mailto:patrick.j.murphy@southlanarkshire.gov.uk)