

Draft Final Report of the Corporate and Customer Overview and Scrutiny Panel into Contact Centre: Efficiencies and Partnership with Lancashire County Council



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1. PREFACE

Part of the 2006/2007 work program of the Corporate and Customer Overview and Scrutiny Panel agreed by the Executive Cabinet in June 2006 was an investigation into the Contact Centre Efficiencies and the Partnership with Lancashire County Council.

The Panel has now completed the Inquiry and the report with our recommendations will be forwarded to the Overview and Scrutiny Committee and finally to the Executive Cabinet.

It was agreed at the start of the Inquiry to create two sub panels: one to concentrate on Efficiencies and the other to focus on the Partnership between the Council and Lancashire County Council. Councillor Mrs Stella Walsh and Councillor Peter Baker chaired these two subs respectively.

I would like to thank the chairs and other members of the Corporate and Customer Overview and Scrutiny Panel for their commitment and enthusiasm in what has been a complex Inquiry.

Also my thanks to all council staff both internal and external for their help in enabling the production of this report.

Councillor Geoffrey Russell
Chair – Corporate and Customer Overview and Scrutiny Panel

2. EXECUTIVE SUMMARY/LIST OF RECOMMENDATIONS AND COSTS

The Corporate and Customer Overview and Scrutiny Panel undertook a Scrutiny Inquiry into the Lancashire Shared Services Contact Centre.

This Scrutiny topic was selected because one of the key projects in the Corporate Strategy is to deliver Contact Chorley and the Shared Services Partnership.

The objectives of the Inquiry were split into two sections:

Efficiencies

1. To assess the contribution of the Lancashire Shared Services Contact Centre to the achievement of the Council's efficiencies agenda.

Partnership Working

2. To assess the effectiveness of the Partnership arrangements for the Lancashire Shared Services Contact Centre of both officer and Member arrangements.
3. To assess whether the Council is achieving the desired benefits of partnership working, for example, procurement, single point of access to services, efficiencies through extended opening hours and workload sharing.

The investigations have highlighted that the Contact Centre has delivered significant efficiency savings to date, with potential for even more in the future. The Contact Centre fits squarely with Government plans around shared services and is providing a model in our two-tier area that others may follow.

Corporate and Customer Overview and Scrutiny Panel Membership

Councillor (Chair) Geoffrey Russell (ES and PS)

Councillor Peter Baker (PS Chair)

Councillor Andrew Birchall (PS)

Councillor Alan Cain (ES)

Councillor Henry Caunce

Councillor Magda Cullens

Councillor David Dickinson

Councillor Doreen Dickinson

Councillor Keith Iddon

Councillor Catherine Holye

Councillor Hasina Khan (PS)

Councillor Margaret Lees (ES)

Councillor June Molyneaux (PS)

Councillor Thomas McGowan

Councillor Edward Smith (ES)

Councillor Joyce Snape

Councillor Stella Walsh (ES Chair)

The membership of the Sub-Groups is indicated by (ES) for the Efficiency Sub-Group and (PS) for the Partnership Sub-Group

Officer Support

Lead Officer

Mr. Asim Khan

Assistant Head of Customer Services (Partnership Sub-Group)

Mr. Jim Douglas

Assistant Head of Office Support Services (Efficiency Sub-Group)

Democratic Services

Miss Ruth Hawes

Assistant Democratic Services Officer

Contribution of Evidence

The Panel would like to thank all those who have provided evidence and contributed to the Inquiry, including staff at Chorley’s Contact Centre, representatives from Lancashire County Council, Ribble Valley Borough Council and Pendle Borough Council.

The Panel would also like to thank Councillor John Walker (Executive Member for Customer, Democratic and Legal) and Councillor Dennis Edgerley (Previous Executive Members for Customers, Policy and Performance) for their contributions to the Inquiry.

Recommendations and Cost Implications

The Corporate and Customer Overview and Scrutiny Panel, after taking account of all the evidence, recommend the following:

Objective/Key Issue 1: Efficiencies - To assess the contribution of the Lancashire Shared Services Contact Centre to the achievement of the Council’s efficiencies agenda.

<u>General Recommendations</u>	<u>Cost Implications</u>
1, a. To note that Chorley is as far ahead as other Lancashire Authorities with regards efficiencies and that the potential to achieve efficiencies by utilising technology should not be under estimated.	No additional cost.
1, b. When Directorates are sending out information, such as Council Tax letters, to ascertain whether other information could be sent out at the same time to reduce the number of letters sent to customers. This could be raised at monthly meetings between customer services and those Directorates whose services are delivered by Contact Chorley.	The costs will be maintained within the Council’s current budget. There may be some efficiency savings resulting from improving mailing.
1, c. To contact other Authorities in the Lancashire Shared Services Contact Centre Partnership electronically with the findings and recommendations of the Inquiry.	No additional cost.
1, d. That the Council baseline the cost of dealing with customer contact for the various channels and that this measure be developed to provide regular information on the transaction costs.	The costs will be maintained within the Council’s current budget.
1, e. To identify any future improvements to customer service following the transfer of services into the Contact Centre and to report these in the six monthly update reports to Overview and Scrutiny.	At this stage there are no additional costs anticipated.
1, f. To prioritise areas for investment in integration to back office systems and identify simple transactions not requiring integration and thus reducing software licensing costs.	The cost of the Customer Relationship Management system and some limited integration is included in the budget for the Lancashire Shared Services Contact Centre Partnership. Other investment will be considered on the basis of a detailed business case which identifies the return on investment. There may be a reduction in costs for simple transactions not requiring integration.

<u>General Recommendations</u>	<u>Cost Implications</u>
1, g. To create a task force (similar the to Change Team at Lancashire County Council), consisting of back office staff, customer services advisors and business analysts to examine the business processes from the front to the back office to ensure the processes are aligned and efficient.	This needs to be investigated further. Other investment will be considered on the basis of a detailed business case which identifies the return on investment.
1, h. A resource has been transferred to Customer Services to deal with Planning Services calls. To monitor this to establish the cost to Customer Services in providing this service and to ensure that the level of service to the customer has been maintained.	No additional cost.
1, i. To start the business process reengineering exercise on high volume calls as this will help produce significant efficiencies.	No additional cost.

<u>Customer Relationship Management system Recommendations</u>	<u>Cost Implications</u>
2, a. Working with the Lancashire Shared Services Contact Centre Partnership to set a realistic timetable for the implementation of the Customer Relationship Management system.	The cost of the Customer Relationship Management system is included in the budget for the Lancashire Shared Services Contact Centre Partnership.
2, b. To identify any services that could be delivered from the Contact Centre on behalf of other service providers, such as Lancashire County Council and Housing Associations.	A financial model will be developed that is acceptable to Lancashire County Council and Chorley Council.
2, c. To support future developments with the Customer Relationship Management System to prompt the customer service advisor to suggest quicker and easier ways to access the service in the future, for example, when a green recycling bag can be requested on line.	The Council launches it's new website on 2 April 2007, which includes a broad range of self-service options for customers. Enhancements to this will be considered on the basis of a detailed business case which identifies the return on investment.
2, d. To promote the use of text messages for service request in future, such as recycling calendars.	A further Business Case will be required to look at the wider corporate impact on service delivery for the use of SMS text messaging.
2, e. To advertise on items such as recycling calendars and green bags the most efficient way to get a replacement.	The costs will be maintained within the Council's current budget.

<u>Customer Access Recommendations</u>	<u>Cost Implications</u>
3, a. To review and simplify the Chorley Customer Focussed Access and Design Strategy.	No additional cost.
3, b. To migrate customers onto more efficient channels of service delivery by supporting and developing the Chorley Customer Access Strategy.	The Customer Access officer will be in post shortly. Other investment will be considered on the basis of a detailed business case which identifies the return on investment.
3, c. To provide an option to leave a message instead of waiting for the call to be answered including requests for services, such as green recycling bags.	The costs will be maintained within the Council's current budget.

<u>Customer Access Recommendations</u>	<u>Cost Implications</u>
3, d. As part of the developing Customer Access Strategy to examine the reasons why customers contact the Council to determine any root causes that can be resolved and therefore reduce the need for the customer to contact the Council.	The Customer Relationship Management System will considerably help with this. The cost of the system is included in the budget for the Lancashire Shared Services Contact Centre Partnership.
3, e. To look at Interactive Voice Response (IVR) as a means to deal with simple requests for service and therefore enabling the customer service advisors to deal with more complex service enquiries.	Technical development would be required at estimated cost of £3,000.
3, f. In the future, to quantify the efficiency savings gained retrospectively when customers email, text or self-serve.	No additional cost.
3, g. To take up the opportunity to deliver more services via home visits, such as the offer of a free bus pass (if the customer is over 65) and other service providers, for example, a free fire safety check (on behalf of the Fire Service).	This will not be known until the ongoing Housing Benefits home visits project is completed.
3, h. That all Directorates focus on feedback and customer satisfaction on service delivery.	No additional cost.
3, i. To have a section in the committee report template to highlight if the report affects customers.	No additional cost.

Objective/Key Issue 2: Partnership Working - To assess the effectiveness of the Partnership arrangements for the Lancashire Shared Services Contact Centre of both officer and Member arrangements.

<u>General Recommendation</u>	<u>Cost Implications</u>
4,a. To ensure that the governance arrangements for the Partnership are effective.	No additional cost.
4, b. To develop a mechanism for Partner Districts, Lancashire County Council and the contractor for effective communication.	No additional cost.
4, c. To encourage other Partners to see the benefits and improvements made at Lancashire County Council through a site visit similar to the Sub-Group's on 8 Dec.	No cost to Chorley Council.
4, d. To make the Joint Committee meeting effective it is suggested that the quorum is changed to a majority vote system with absent partners given the opportunity to respond electronically to any decision.	No cost to Chorley Council.
4, e. To support the long term vision of the Partnership to deliver Lancashire County Council and District partner services.	No additional cost.
4, f. To revisit the terms of reference for the Joint Committee and to review the vision and project plan every 6 months.	No additional cost.
4, g. To monitor effectively the timescales set down in the project plan.	No additional cost.
4, h. To support the refined vision statement.	No additional cost.

Objective/Key Issue 3: Partnership Working - To assess whether the Council is achieving the desired benefits of partnership working, for example, procurement, single point of access to services, efficiencies through extended opening hours and workload sharing.

General Recommendation	Cost Implications
<p>5, a. To suggest that Partners consider a similar approach to Lancashire County Council with a Change Team to determine any similarities between Lancashire County Council processes.</p> <p>Please see recommendation **.</p>	<p>No cost to Chorley Council.</p>
<p>5, b. For Lancashire County Council to give Districts access to the Corporate Information Database.</p>	<p>No cost to Chorley Council.</p>
<p>5, c. To explore opportunities for joint training and knowledge sharing between Chorley and Lancashire County Council in the future.</p>	<p>No cost to explore the opportunities.</p>
<p>5, d. To support extended opening hours for Contact Chorley facilitated by the Hub.</p>	<p>A financial model will be developed that is acceptable to Lancashire County Council and Chorley Council.</p>
<p>5, e. To publicise the fact that there are emergency arrangements in place for weekends and that all message left will be dealt with on Monday morning.</p>	<p>The costs will be maintained within the Council's current budget.</p>
<p>5, f. That the Council further develops the organisational culture to improve joint working.</p>	<p>No additional cost.</p>
<p>5, g. To explore joint working on the measurement of customer satisfaction and the potential for the same measures across the partnership in the future and to explore opportunities, via the Customer Relationship Management System, to deal with complaints more effectively across the Partnership.</p>	<p>No additional cost.</p>
<p>5, h. To consider the excellent private sector initiatives for adaptation for Local Government.</p>	<p>No additional cost.</p>
<p>5, i. To ensure that that all aspects of revised Agreement between contractor and the Partnership is delivered on schedule and to the requirements of the Partnership.</p>	<p>No additional cost.</p>
<p>5, j. That any future Lancashire Gateways developments for Chorley be based in the One Stop Shop.</p>	<p>No cost to Chorley Council.</p>

3. INTRODUCTION

Background

The Overview and Scrutiny Committee referred an Inquiry entitled Contact Centre: Efficiencies and the Partnership with Lancashire County Council to the Corporate and Customer Overview and Scrutiny Panel.

The subject of the Inquiry was considered as part of the Programme of work for the Overview and Scrutiny function at the meeting of the Overview and Scrutiny Committee in June 2006. The topic was selected as the Contact Centre linked to the Corporate Strategy and the Council's priority of "improving access to public services" and "ensuring that Chorley Borough Council is a performing organization".

Aims/objectives

The Panel's aims and objectives for the scrutiny Inquiry were identified as follows:

Efficiencies

1. To assess the contribution of the Lancashire Shared Services Contact Centre to the achievement of the Council's efficiencies agenda.

Partnership Working

2. To assess the effectiveness of the Partnership arrangements for the Lancashire Shared Services Contact Centre of both officer and Member arrangements.
3. To assess whether the Council is achieving the desired benefits of partnership working, for example, procurement, single point of access to services, efficiencies through extended opening hours and workload sharing.

Terms of Reference

The terms of reference for the Inquiry were:

1. To conduct an investigation into the Lancashire Shared Services Contact Centre partnership arrangements.
2. To review the efficiency programme relating to the Lancashire Shared Services Contact Centre.
3. To identify possible improvements.
4. To report on the investigations findings and make recommendations to Overview and Scrutiny Committee consistent with the Inquiry's objectives and desired outcomes.

Inquiry Project Outline

The Panel completed the "Overview and Scrutiny Inquiry Project Outline" and is attached as Appendix A to this report.

Desired Outcome

Efficiencies

1. To maximise efficiencies from the Lancashire Shared Services Contact Centre partnership arrangements.

Partnership Working

2. To establish that the partnership arrangements are working effectively, and, in situations where this is not the case, to propose actions to remedy the situation.
3. To ensure the partnership is delivering the highest quality customer experience.

General Information

Information on Chorley Borough Council's overview and scrutiny toolkit, policies and procedures can be found on the Council's website: www.chorley.gov.uk/scrutiny

4. METHOD OF INVESTIGATION

Documentary Evidence

The Panel received and considered several reports and documents, these included:

Efficiency Sub-Group

- Annual Efficiency Statement 2005/2006 Backward Looking and 2006/2007 Forward Looking,
- Current and future efficiency plans for Contact Chorley, Partners and examples of best practice,
- Performance Statistics for Contact Chorley,
- A comparison of the cost to the Council of the Partnership versus the cost to implement a solution on it's own.

Partnership Sub-Group

- Lancashire County Council Overview and Scrutiny report into the Shared Services Contact Centre submitted to the County Council Executive Cabinet on 5 September 2006,
- Chorley Customer Focussed Access and Design Strategy,
- Lancashire County Council Update on Customer Access report to Executive Cabinet on 28 February 2007,

Witnesses

The Partnership Sub-Group, at it's meeting on 19 January 2007, interviewed the following persons: Councillor Richard Sherras and Mr. Jeff Fenton (Corporate Services Manager) from Ribble Valley Borough Council and Mr. Philip Mousdale (Executive Director for Community Engagement) from Pendle Borough Council.

The Partnership Sub-Group, at its meeting on 26 January 2007, interviewed Councillor Dennis Edgerley (Previous Executive Member for Customers, Policy and Performance) and Councillor John Walker (Executive Member for Customer, Democratic and Legal).

On 20 March 2007 the Panel discussed the issues raised during the Inquiry and the draft recommendations with Councillor John Walker (Executive Member for Customer, Democratic and Legal).

Research

The Efficiency Sub-Group visited Contact Chorley on 24 November 2006 and the Partnership Sub-Group visited the Red Rose Hub on 8 December 2006. The Sub-Groups considered the views and experiences that were shared on these visits.



Chorley's Contact Centre



Councillor Smith listening in on a call at the Hub.

Panel Meetings

The agendas, reports and minutes of the Efficiency Sub-Group and Partnership Sub-Group held on can be found on the Councils website: www.chorley.gov.uk

5. FINDINGS

Objective/Key Issue 1: Efficiencies - To assess the contribution of the Lancashire Shared Services Contact Centre to the achievement of the Council's efficiencies agenda.

General Findings	Recommendation	Financial Implications
<p>Members discussed the two aspects of efficiency which are cashable savings and non-cashable savings, the non-cashable savings being the provision of value for money services.</p> <p>Evidencing real efficiencies through the Shared Services Contact Centre cannot always be stated in cash terms. The non-cashable element is the improvement in service delivery to the customer.</p> <p>It was unlikely there would be any cashable efficiency savings to claim for 2006/2007, but there should be by 2007/2008.</p>	<p>1, a. To note that Chorley is as far ahead as other Lancashire Authorities with regards efficiencies and that the potential to achieve efficiencies by utilising technology should not be under estimated.</p>	<p>No additional cost.</p>
<p>The four highlighted some of the recommendations made by the Customer Overview and Scrutiny Panel Inquiry into the One Stop Shop in June 2004 that have been implemented. This included semi-automatic doors to the One Stop Shop, monthly meetings between customer services and those Directorates whose services are delivered by Contact Chorley.</p> <p>In addition to this the One Stop Shop has achieved the Chartermark for customer service and now delivers the concessionary travel scheme. Members noted the excellent atmosphere and pleasant, smart staff in the Contact Centre.</p>	<p>1, b. When Directorates are sending out information, such as Council Tax letters, to ascertain whether other information could be sent out at the same time to reduce the number of letters sent to customers. This could be raised at monthly meetings between customer services and those Directorates whose services are delivered by Contact Chorley.</p>	<p>The costs will be maintained within the Council's current budget. There may be some efficiency savings resulting from improving mailing.</p>

General Findings	Recommendation	Financial Implications
<p>Two of the authorities within the Partnership responded to the request for information on how they recorded efficiencies. One has not identified any efficiency savings from the Contact Centre and have increasing concerns that few, if any ever will be realised. Another are treating any claims that the Contact Centre will produce efficiencies with a wide degree of skepticism and have not included any efficiency savings to date in their Annual Efficiency Statement.</p> <p>The potential for efficiencies is relative to the size of the Council.</p>	<p>1, c. To contact other Authorities in the Lancashire Shared Services Contact Centre Partnership electronically with the findings and recommendations of the Inquiry.</p>	<p>No additional cost.</p>
<p>Tameside Metropolitan Borough Council have indicated that they have not attempted to formally identify efficiency gains from the implementation of their Contact Centre. However, Tameside measure on a monthly basis the 'cost per call' - the budget for staff salaries divided by the number of calls answered.</p>	<p>1, d. That the Council baseline the cost of dealing with customer contact for the various channels and that this measure be developed to provide regular information on the transaction costs.</p>	<p>The costs will be maintained within the Council's current budget.</p>
<p>A number of benefits are being realised within the Council's Service Directorates following the transfer of services to the Contact Centre:</p> <ul style="list-style-type: none"> • Monthly departmental meetings with Customer Services to improve service provision through more informed picture of customer demands. • Service Directorates are able to focus on service provision and enhancement • Customer surveys carried out through Customer Services rather than through individual Directorates. • Reduction in number of customer contact numbers in the back-offices. • Call overflow handled by One Stop Shop during peak times rather than service units having to cope and failing to do so. • 80% of Housing Benefits telephone calls are now being dealt with at first point of contact. • Projects that result in large-scale telephone contact can be dealt with through the Contact Centre rather 	<p>1, e. To identify any future improvements to customer service following the transfer of services into the Contact Centre and to report these in the six monthly update reports to Overview and Scrutiny.</p> <p>1, f. To prioritise areas for investment in integration to back office systems and identify simple transactions not requiring integration and thus reducing software licensing costs.</p>	<p>At this stage there are no additional costs anticipated.</p> <p>The cost of the Customer Relationship Management system and some limited integration is included in the budget for the Lancashire Shared Services Contact Centre Partnership. Other investment will be considered on the basis of a detailed business case which identifies the return on investment. There may be a reduction in costs for simple transactions not requiring integration.</p>

General Findings	Recommendation	Financial Implications
<p>than within individual departments, (i.e. postal voting 30,000 letters out to the public.</p> <ul style="list-style-type: none"> • Extended customer opening hours of 8am – 6pm. • Skilled staff dealing with service queries rather than back office staff. Customer • Services team have the interaction skills to provide high quality customer services • and improved customer experience <p>The knowledge obtained through transferring services has highlighted where potential service problems are.</p> <p>When services are transferred into the Contact Centre the business process re-engineering and systems integration reduce the back office costs.</p> <p>The Director of Development and Regeneration indicated that half of the cost of providing the first line of enquiry service for the Development Control and Building Control in 2007/8 will be transferred to Customer Services for the provision of the service and half will be included as a efficiency gain in the 2007/8 Forward Looking Efficiency Statement. This is an opportunity to quantify the efficiencies as it coincides with a restructure.</p> <p>This project has highlighted the need to look at business process reengineering on a corporate basis.</p>	<p>1, g. To create a task force (similar the to Change Team at Lancashire County Council), consisting of back office staff, customer services advisors and business analysts to examine the business processes from the front to the back office to ensure the processes are aligned and efficient.</p> <p>1, h. A resource has been transferred to Customer Services to deal with Planning Services calls. To monitor this to establish the cost to Customer Services in providing this service and to ensure that the level of service to the customer has been maintained.</p> <p>1, i. To start the business process reengineering exercise on high volume calls as this will help produce significant efficiencies.</p>	<p>This needs to be investigated further. Other investment will be considered on the basis of a detailed business case which identifies the return on investment.</p> <p>No additional cost.</p> <p>No additional cost.</p>

Customer Relationship Management system Findings	Recommendation	Financial Implications																				
<p>The cost figures below enable us to compare the Partnership against what it would have cost the Council to implement their own solution.</p> <p>The costs are presented over the 7 year term of the agreement.</p> <p>GO IT ALONE</p> <table border="0"> <tr> <td>CAPITAL</td> <td>217,400 (system)</td> </tr> <tr> <td></td> <td><u>196,800 (see breakdown)</u></td> </tr> <tr> <td></td> <td>414,200</td> </tr> <tr> <td>REVENUE (SOFTWARE)</td> <td>(7 yrs at 35,798 per year)</td> </tr> <tr> <td>REVENUE (EQP, SERVICE MAINT)</td> <td>(7 yrs cost see breakdown)</td> </tr> <tr> <td></td> <td><u>77,420</u></td> </tr> <tr> <td></td> <td><u>742,206</u></td> </tr> </table> <p>COUNTY PARTNERSHIP</p> <table border="0"> <tr> <td>CAPITAL (one off payment)</td> <td>95,000</td> </tr> <tr> <td>REVENUE</td> <td>350,000</td> </tr> <tr> <td>(7 yrs at 50,000 PER YEAR)</td> <td><u>445,000</u></td> </tr> </table> <p>Therefore there is a saving of £297,206 over the 7 year contract period i.e. £742,206 - £445,000</p> <p>The Customer Relationship Management system is not yet in place, but will be a key part of the project as it records details about the customer, their contact with the Council and additional requirements such as disabilities or a language barrier.</p>	CAPITAL	217,400 (system)		<u>196,800 (see breakdown)</u>		414,200	REVENUE (SOFTWARE)	(7 yrs at 35,798 per year)	REVENUE (EQP, SERVICE MAINT)	(7 yrs cost see breakdown)		<u>77,420</u>		<u>742,206</u>	CAPITAL (one off payment)	95,000	REVENUE	350,000	(7 yrs at 50,000 PER YEAR)	<u>445,000</u>	<p>2, a. Working with the Lancashire Shared Services Contact Centre Partnership to set a realistic timetable for the implementation of the Customer Relationship Management system.</p> <p>2, b. To identify any services that could be delivered from the Contact Centre on behalf of other service providers, such as Lancashire County Council and Housing Associations.</p>	<p>The cost of the Customer Relationship Management system is included in the budget for the Lancashire Shared Services Contact Centre Partnership.</p> <p>A financial model will be developed that is acceptable to Lancashire County Council and Chorley Council.</p>
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<p>Other services that are delivered from the One Stop Shop on a surgery basis are:</p> <ul style="list-style-type: none"> • Department for Works and Pensions, • Patient Advisory Services, • Citizens Advice Bureau, • Community Services with the Asian Women's Forum. 																						

Customer Relationship Management system Findings	Recommendation	Financial Implications
<p>The information that will be collected about customers on the Customer Relationship Management System will enable Customer Service Advisors to proactively offer services to customers. This potentially includes the provision of non-Council services that already happens in the One Stop Shop.</p>	<p>2, c. To support future developments with the Customer Relationship Management System to prompt the customer service advisor to suggest quicker and easier ways to access the service in the future, for example, when a green recycling bag can be requested on line.</p>	<p>The Council launches it's new website on 2 April 2007, which includes a broad range of self-service options for customers. Enhancements to this will be considered on the basis of a detailed business case which identifies the return on investment.</p>
<p>There is potential to use the Customer Relationship Management System, by storing the mobile telephone numbers of customers to text GB for a green bag and the a bag be posted out to the address associated with the mobile telephone number. This would enable resources to focus on providing services to hard to reach and vulnerable customers.</p>	<p>2, d. To promote the use of text messages for service request in future, such as recycling calendars.</p> <p>2, e. To advertise on items such as recycling calendars and green bags the most efficient way to get a replacement.</p>	<p>A further Business Case will be required to look at the wider corporate impact on service delivery for the use of SMS text messaging.</p> <p>The costs will be maintained within the Council's current budget.</p>

Customer Access Findings	Recommendation	Financial Implications																				
<p>There are 4 contact channels for customers at present: by telephone, face to face in the One Stop Shop, self-service on the Council's website and by email. Customer Services staff also manned the reception at the Town Hall. The staff worked in the One Stop Shop and the Call Centre in rotation to gain experience in all areas. Subject to there being sufficient capacity staff in the One Stop Shop would act as an overflow and answer calls when the Call Centre was busy.</p>	<p>3, a. To review and simplify the Chorley Customer Focussed Access and Design Strategy.</p> <p>3, b. To migrate customers onto more efficient channels of service delivery by supporting and developing the Chorley Customer Access Strategy.</p>	<p>No additional cost.</p> <p>The Customer Access officer will be in post shortly. Other investment will be considered on the basis of a detailed business case which identifies the return on investment.</p>																				
<p>Previously it was not possible to gather the number of customer calls received by Service Departments. The telephony system in the Call Centre captures the call abandonment rate, call disruption, variety and type. This information is used to plan the numbers of staff needed to staff the Call Centre. The transfer of calls to the Call Centre releases back office staff to concentrate on complex service issues.</p>	<p>3, c. To provide an option to leave a message instead of waiting for the call to be answered including requests for services, such as green recycling bags.</p> <p>3, d. As part of the developing Customer Access Strategy to examine the reasons why customers contact the Council to determine any root causes that can be resolved and therefore reduce the need for the customer to contact the Council.</p>	<p>The costs will be maintained within the Council's current budget.</p> <p>The Customer Relationship Management System will considerably help with this. The cost of the system is included in the budget for the Lancashire Shared Services Contact Centre Partnership.</p>																				
<p>From a total of 135939 calls, between 1 June 2006 and 28 February 2007 9.7% were abandoned.</p> <p>The breakdown of calls offered between Directorates is as follows:</p> <table border="0" data-bbox="1069 1478 1412 2134"> <tr> <td>Switchboard</td> <td>69035</td> </tr> <tr> <td>Recycling</td> <td>15639</td> </tr> <tr> <td>Abandoned Vehicles</td> <td>449</td> </tr> <tr> <td>Waste management</td> <td>704</td> </tr> <tr> <td>Refuse</td> <td>2272</td> </tr> <tr> <td>General Environmental Services</td> <td>114663</td> </tr> <tr> <td>Garden Waste Bins</td> <td>13</td> </tr> <tr> <td>Public Space Services</td> <td>2247</td> </tr> <tr> <td>Benefits</td> <td>9509</td> </tr> <tr> <td>Electoral Registration</td> <td>1121</td> </tr> </table>	Switchboard	69035	Recycling	15639	Abandoned Vehicles	449	Waste management	704	Refuse	2272	General Environmental Services	114663	Garden Waste Bins	13	Public Space Services	2247	Benefits	9509	Electoral Registration	1121	<p>3, e. To look at Interactive Voice Response (IVR) as a means to deal with simple requests for service and therefore enabling the customer service advisors to deal with more complex service enquiries.</p>	<p>Technical development would be required at estimated cost of £3,000.</p>
Switchboard	69035																					
Recycling	15639																					
Abandoned Vehicles	449																					
Waste management	704																					
Refuse	2272																					
General Environmental Services	114663																					
Garden Waste Bins	13																					
Public Space Services	2247																					
Benefits	9509																					
Electoral Registration	1121																					

Customer Access Findings	Recommendation	Financial Implications
<p>Council Tax Billing Council Tax Recovery</p> <p>20863 2624</p> <p>In 2006 the Department of Communities and Local Government found in a "take up" campaign of services in Tameside that:</p> <ul style="list-style-type: none"> • A Face to Face transaction cost £14.65 per visit • A Call Centre transaction cost £1.39 per phone call • A visit to the Council Website cost 25p per transaction <p>The Housing Benefits team undertake home visits and this is found to be more efficient as all paperwork required can be seen at one time.</p>	<p>3, f. In the future, to quantify the efficiency savings gained retrospectively when customers email, text or self-serve.</p>	<p>No additional cost.</p>
<p>The transfer of services has given the Council a much clearer picture of customer requirements and demand in these service areas for example, a high percentage of calls relating to Environmental Services are requests for new recycling calendars and green recycling bags.</p>	<p>3, g. To take up the opportunity to deliver more services via home visits, such as the offer of a free bus pass (if the customer is over 65) and other service providers, for example, a free fire safety check (on behalf of the Fire Service).</p>	<p>This will not be known until the ongoing Housing Benefits home visits project is completed.</p>
<p>The transfer of services has given the Council a much clearer picture of customer requirements and demand in these service areas for example, a high percentage of calls relating to Environmental Services are requests for new recycling calendars and green recycling bags.</p>	<p>3, h. That all Directorates focus on feedback and customer satisfaction on service delivery.</p> <p>3, i. To have a section in the committee report template to highlight if the report affects customers.</p>	<p>No additional cost.</p> <p>No additional cost.</p>

Objective/Key Issue 2: Partnership Working - To assess the effectiveness of the Partnership arrangements for the Lancashire Shared Services Contact Centre of both officer and Member arrangements.

Throughout the Inquiry the Members considered reports from Lancashire County Council, where appropriate these have been referenced and quotation marks used.

Findings	Recommendation	Financial Implications
<p>It is acknowledged "The aim of the project to be a completely joined up contact centre with 13 members is unrealistic. It is even more unrealistic given that only 6 of the districts joined the project, as it raises the added complication of relations with the non-members. It is clear that the priorities of the different councils, although linked, are different. All parties have acknowledged that there was a failure to recognise the size of the task at the outset. An appropriately senior and well qualified project manager should have been appointed at the outset of the project, and should have received the necessary authority from the organisation, being answerable to the most senior officers and members."</p> <p><i>LLC report</i></p>	<p>4.a. To ensure that the governance arrangements for the Partnership are effective.</p>	<p>No additional cost.</p>
<p>The role of the Partnership Officer is to liaise with districts and oversee the project. There are regular Project Boards and meetings of the Joint Committee to ensure two-way communication between the partners. As the Partners get to know each other the working relationship becomes stronger and it has taken time for Lancashire County Council (LCC) to get their team of staff in place.</p> <p>Previously Lancashire County Council undertook the management of the contract. Districts need to take a more active role in this.</p>	<p>4, b. To develop a mechanism for Partner Districts, Lancashire County Council and the contractor for effective communication.</p> <p>4, c. To encourage other Partners to see the benefits and improvements made at Lancashire County Council through a site visit similar to the Sub-Group's on 8 Dec.</p>	<p>No additional cost.</p> <p>No cost to Chorley Council.</p>
<p>The inconsistent membership and unclear agendas of the Joint Committee meetings mean that this meeting has not been as effective as it needs to be going forward.</p>	<p>4, d. To make the Joint Committee meeting effective it is suggested that the quorum is changed to a majority vote system with absent partners given the opportunity to respond electronically to any decision.</p>	<p>No cost to Chorley Council.</p>

Findings	Recommendation	Financial Implications
<p>Each partner was able to develop their CRM independently to enable them to utilise the benefits of the CRM.</p> <p>The second phase was to enable the County and Districts to deliver services for each other.</p> <p>The relationship between Lancashire County and Chorley would be key in achieving this and would realise massive benefits, such as extended opening hours after six in the evening and Saturday mornings.</p> <p>The project plan for the Partnership is ongoing and the CRM will be customised for each Partner.</p>	<p>4, e. To support the long term vision of the Partnership to deliver Lancashire County Council and District partner services.</p> <p>4, f. To revisit the terms of reference for the Joint Committee and to review the vision and project plan every 6 months.</p>	<p>No additional cost.</p> <p>No additional cost.</p>
<p>“At the Lancashire Shared Services Partnership Board on the 15 December 2006, it was agreed that the existing vision for the partnership was an aspirational target and there was therefore a need to refine and clarify these objectives into a short term vision statement.</p> <p>“This refined vision is significant in light of the Local Government White Paper and enhanced two-tier working agenda and provides a focus for future partnership working”.</p> <p><i>LLC report</i></p>	<p>4, g. To monitor effectively the timescales set down in the project plan.</p> <p>4, h. To support the refined vision statement.</p> <p>Please see Appendix B.</p>	<p>No additional cost.</p> <p>No additional cost.</p>

Objective/Key Issue 3: Partnership Working - To assess whether the Council is achieving the desired benefits of partnership working, for example, procurement, single point of access to services, efficiencies through extended opening hours and workload sharing.

Throughout the Inquiry the Members considered reports from Lancashire County Council, where appropriate these have been referenced and quotation marks used.

Findings	Recommendation	Financial Implications
<p>Lancashire County Council “delivers around 700 different services. It is clearly a massive task to review these, and is a process that will take years, not months.</p> <p>“A “Change Team”, operating from within the Customer Access project to coordinate and work with directorates has been introduced in Spring / Summer 2006.”</p> <p>There are currently four teams on banks of desks who deliver a mix of services, including the switchboard. Each team concentrates on two or three services at a time. There are thirty Full Time Equivalents with eighteen part time staff who cover lunch breaks and peak times. This will increase over time when more services are integrated and in January upstairs will be full. Downstairs is currently the nursery bank but will be live workstations in time.</p> <p>There are currently seven hundred entries on the Corporate Information Database. The aim is to give customers access to all service at one point, for example if a call is in relation to a blue badge the customer will be asked if they would like a fire safety check, or if a customer has just turned 65 they would be asked if they wanted like information about social services. The system transfers any relevant information to the back office meaning that the customer will not have to repeat the information.</p>	<p>5, a To suggest that Partners consider a similar approach to Lancashire County Council with a Change Team to determine any similarities between Lancashire County Council processes.</p> <p>Please see recommendation ** .</p> <p>5, b. For Lancashire County Council to give Districts access to the Corporate Information Database.</p>	<p>No cost to Chorley Council.</p> <p>No cost to Chorley Council.</p>

Findings	Recommendation	Financial Implications
<p>There are training facilities at the Hub.</p>	<p>5, c. To explore opportunities for joint training and knowledge sharing between Chorley and Lancashire County Council in the future.</p>	<p>No cost to explore the opportunities.</p>
<p>The Chorley Council and Lancashire County Council customer advisors are highly trained in customer services. "There has been some demand from Directorates for the Customer Service Centre to undertake 24 hour operation. A business case is being prepared and it is considered that it may well be feasible to provide a 24 hour service using a minimal number of staff by mid/late 2007. It is expected that extended opening times of 8am to 8pm will be in place at the Hub by April 2007". <i>LLC report</i></p>	<p>5, d. To support extended opening hours for Contact Chorley facilitated by the Hub.</p> <p>5, e. To publicise the fact that there are emergency arrangements in place for weekends and that all message left will be dealt with on Monday morning.</p>	<p>A financial model will be developed that is acceptable to Lancashire County Council and Chorley Council.</p> <p>The costs will be maintained within the Council's current budget.</p>
<p>Customers want their services and are not concerned who delivers them. The impact of the Partnership has included a change in organizational culture and the Partners have had different levels of success in integrating services into their Contact Centres, due to the size of the Authority, the demographics and corporate commitment.</p>	<p>5, f. That the Council further develops the organisational culture to improve joint working.</p>	<p>No additional cost.</p>
<p>Customer satisfaction is not measured in a consistent way across the partnership. There is not a consistent way of dealing with complaints across the Partnership.</p>	<p>5, g. To explore joint working on the measurement of customer satisfaction and the potential for the same measures across the partnership in the future and to explore opportunities, via the Customer Relationship Management System, to deal with complaints more effectively across the Partnership.</p>	<p>No additional cost.</p>
<p>Some private companies provide excellent customer service, e.g. tracking on enquiries/deliveries.</p>	<p>5, h. To consider the excellent private sector initiatives for adaptation for Local Government.</p>	<p>No additional cost.</p>
<p>"The original Customer Relationship Management (CRM) system which provides the interface between the customer and back office systems has not functioned well enough to meet the needs of LCC and the District Partners. Since late summer LCC has been evaluating an alternative CRM also produced by Northgate. This product is a significant improvement over the original CRM. The new proposal has been extensively evaluated by LCC and the District Partners and at their meeting held</p>	<p>5, i. To ensure that that all aspects of revised Agreement between contractor and the Partnership is delivered on schedule and to the requirements of the Partnership.</p>	<p>No additional cost.</p>

Findings	Recommendation	Financial Implications
<p>on 13 February 2007 the Shared Customer Service Joint Committee agreed unanimously to a recommendation of the Partnership Board to accept this alternative proposal.</p> <p>“It is anticipated that the terms of the revised Agreement to be finalised with Northgate will be radically different from those which currently apply in relation to the network, the software and the governance arrangements between Northgate and LCC. The basis of the Agreement will change from it being a fully managed service to one of supply only. It is anticipated that there will be a substantial cost saving to LCC and the current contributions from District Partners will continue at the existing levels. The Project Plan for this implementation and its associated governance is already under development in anticipation of an implementation start in April 2007.” <i>LLC report</i></p>		
<p>“Three libraries in Accrington, Fleetwood and Rawtenstall were chosen to pilot Face to Face services and became operational in late 2006. An evaluation of these pilot “gateways” will be conducted over the next three months”. <i>LLC report</i></p>	<p>5, j. That any future Lancashire Gateways developments for Chorley be based in the One Stop Shop.</p>	<p>No cost to Chorley Council.</p>

6. CONCLUSION

General observations

After taking account of all the documentary and verbal evidence presented and the Corporate and Customer Overview and Scrutiny Panel has identified a number of recommendations which, if implemented, the Members consider will enhance both the efficiencies that can be achieved through the Contact Centre and the Partnership with Lancashire County Council.

Efficiency Sub-Group

The Sub-Group's noted the cross over between the two sub-groups, such as the importance of training, info gateways, delivering services for each other

Due to the delays with the Customer Relationship Management system Chorley had to move forward and use a one step at a time approach to transfer each service into the Contact Centre. Lancashire County Council have taken the opposite approach. The Sub-Group feel that Chorley's approach has been more successful.

One of the reasons the Contact Centre has been so successful is the enthusiasm and willingness of the staff to embrace the new approach.

The Customer Relationship Management system is critical in achieving Chorley's aims as it provides a better understanding of customer's needs and contact and therefore information on how to provide a better and more efficient service.

Partnership Sub-Group

The Partnership was a groundbreaking project with the initial vision for customers to access all services from a single point. This included a virtual network between the County and the six districts.

The Customer Relationship Management system is key to the future of the Partnership and the cost to the Council would be significant to purchase the telephony, hardware and software outside the Partnership. The potential for additional opening hours, in the evenings and at weekend are significant benefits.

If Chorley had not gone with the Partnership we would have faced problems, but different ones.

Lessons learned for Scrutiny

As there were two definite streams to the Inquiry the Panel appointed two Sub-Groups with five members. The Chair of the Panel sat on both Sub-Groups, with each Sub having a different Chair. This ensured continuity through the Subs and the added benefit of the knowledge and skills of the two Sub-Group Chairs.

The three Chairs drove forward the each step of the Inquiry and, in particular, the writing of the Final Report.

7. APPENDICES

Appendix A Overview and Scrutiny Project Outline

Appendix B Shared Services Contact Centre Partnership Three Year Vision Statement

OVERVIEW AND SCRUTINY INQUIRY PROJECT OUTLINE

Review Topic: Contact Centre: Efficiencies and the Partnership with Lancashire County Council.

Investigation by: Corporate and Customer Overview and Scrutiny Panel

Type: Inquiry

Objectives:

Efficiencies

1. To assess the contribution of the Lancashire Shared Services Contact Centre to the achievement of the Council's efficiencies agenda.

Partnership Working

2. To assess the effectiveness of the Partnership arrangements for the Lancashire Shared Services Contact Centre of both officer and Member arrangements.
3. To assess whether the Council is achieving the desired benefits of partnership working, for example, procurement, single point of access to services, efficiencies through extended opening hours and workload sharing.

Desired Outcomes:

Efficiencies

1. To maximise efficiencies from the Lancashire Shared Services Contact Centre partnership arrangements.

Partnership Working

2. To establish that the partnership arrangements are working effectively, and, in situations where this is not the case, to propose actions to remedy the situation.
3. To ensure the partnership is delivering the highest quality customer experience.

Terms of Reference:

1. To conduct an investigation into the Lancashire Shared Services Contact Centre partnership arrangements.
2. To review the efficiency programme relating to the Lancashire Shared Services Contact Centre.
3. To identify possible improvements.
4. To report on the investigations findings and make recommendations to Overview and Scrutiny Committee consistent with the Inquiry's objectives and desired outcomes.

Key Issues:

Efficiencies

1. Migration of resources from back office services into the Contact Centre.
2. Integration to back office systems.
3. Streamlining contact telephone numbers and email points.
4. Managing migration of customers to more efficient methods of access to services.

Partnership Working

5. Review contractual arrangements with Lancashire County Council.
6. Contractor performance and governance.
7. Differing approach of partners.

Risks:

1. Damaging relationships with partnership organisations.
2. Possibility of negative publicity to the partnership.
3. Having desired outcomes beyond the capacity to deliver.

8. Customer Relationship Management system. 9. Development of Lancashire County Council Customer Service strategy. 10. Delivery of Customer Focus and Access strategy.	
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Venue(s): Town Hall, Market Street, Chorley.	Timescale: 9 months Start: July 2006 Finish: March 2007
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Information Requirements and Sources:

Documents/evidence: *(what/why?)*

1. Lancashire County Council Customer Service strategy.
2. Partnership Customer Contact strategy.
3. Terms of reference for the officer partnership board and Member joint committee.
4. Chorley Borough Council Customer Focus and Access strategy.
5. Approved Plan and migration dates.
6. Annual Efficiency Statement: 2005/2006 Backward looking and 2006/2007 Forward looking.

Witnesses: *(who, why?)*

1. Chair of the Joint Committee.
2. Chair of the Partnership Board.
3. Representative from the contractor (Northgate Information Systems NIS).
4. Representatives from District partners.
5. Councillor D Edgerley (Previous Member of the Partnership Joint Committee).
6. Councillor J Walker (Executive Member for Customer, Democratic and Legal Services and Member of the Partnership Joint Committee).
7. Officers of Chorley Borough Council.

Consultation/Research: *(what, why, who?)*

1. Customer satisfaction performance statistics.

Site Visits: *(where, why, when?)*

1. Shire District partners.
2. Lancashire County Council.

Officer Support:	Likely	Budget	Requirements:
Lead			
Asim Khan (Assistant Head of Customer Services)	Officer:		
Democratic Services	Officer:		
Ruth Hawes (Assistant Democratic Services Officer)			
Corporate Policy Officer:			
To be identified as required.			
	Purpose		£
	Site visit costs		200
	Total		200

Target Body¹ for Findings/Recommendations

(Eg Executive Cabinet, Council, PCT)

Overview and Scrutiny Committee.

Shared Services Contact Centre Partnership
Three Year Vision Statement

This three-year vision is seen as the foundation to enable the partners to achieve the long term objectives of the Partnership.

Each partner is seeking to provide customers with easy and convenient access to all their services through the development of modern Contact Centres. Each council will work in partnership to achieve significant efficiency gains and service improvements through effective and appropriate sharing of resources and information.

The shared objectives of the Partnership are that:

- Each Council will offer a single point of access for all their services through their Contact Centres
- A two-way signposting service will be available between Lancashire County Council and the District Councils
- Overflow and extended hour opening will be developed as a discretionary service to the partners by Lancashire County Council
- The partners will work towards shared Contact Centres with co-located District and County Council staff
- Lancashire Gateways will be developed in consultation with the partners, within appropriate locations to support the overall aims of the Partnership
- The partners will share common systems and processes including Customer Relationship Management (CRM), telephony and training
- The CRM system will be hosted by Lancashire County Council
- The partners will open up membership of the partnership to other districts
- The partners will further develop joint working into other projects

The partnership will work towards these objectives between 2007 and 2009 and will develop shared programmes for each together with a business plan against which progress will be monitored and reported.