

CONTACT CENTRES & RIBBLE VALLEY BOROUGH COUNCIL

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1. INTRODUCTION & SUMMARY

1.1. REASON FOR THIS PAPER

In common with several Lancashire authorities Ribble Valley BC officers & the e-champions have been involved in numerous meetings, workshops, etc, at various levels, discussing what is being proposed by & the implications of, the Lancashire Shared Contact Centre Partnership. However, because the project & its implications for the councils have been evolutionary, until recently it has been difficult to present to members a detailed description, business case or general appreciation of what a Contact Centre is in this context, its implications for the Council & how it fits into the Government requirements for e-Government, CPA, etc. This paper now attempts to remedy this omission with particular reference to the Partnership's proposal that District Councils should commit to the Partnership by 1 April 2003 or be 'locked out' for 3 years i.e. beyond the Government deadline of 2005 for e-government delivery of services (see Section 4.4 & 1.2.1 below). The paper describes the functions of a contact centre, how a centre delivers (or not) the Government requirements for e-Gov, what is involved in its creation & operation and makes recommendations for Ribble Valley BC. Description of the various aspects is attempted mainly by the use of extracts from the voluminous literature on the subject.

The paper is longer than originally intended due largely to the sheer volume of available material & the diversity of topics covered. Hopefully the Summary Section and the various references throughout the sections will guide the reader without the task being too onerous. However, Section 7 – Conclusions & Recommendations is essential reading.

1.2. e-GOVERNMENT

Over the past 15 months or so, e-Government has been the subject of masses of Government publications - guidance notes; requirements letters; BVPIs; email newsletters, etc - plus enough seminars, workshops etc to occupy one fulltime. The Government's definition of e-Government in their e-gov@local publication is, "e-Government means exploiting the power of information and communications technology to help transform the accessibility, quality and cost effectiveness of public services.....It is about using technology to break down social exclusion."

1.2.1. SEVEN CRITICAL TESTS

The Government has seven 'critical tests' for local public services:

- **Joined up** in ways that make sense to the customer
- **Accessible** at times & places most convenient to the customer.
- **Delivered or supported electronically**, facilitating faster, more reliable & better services
- **Delivered jointly**, where appropriate, by local & regional partnerships & connected to a national infrastructure
- **Delivered seamlessly** – customers not asked to provide same information more than once & service providers can identify, reach & meet needs of service users
- **Open & accountable**
- **Used by e-citizens** through effective promotion of available & accessible new technologies.

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“By 2005 the groundwork should be in place, with Internet access available to all, services available electronically (or e-enabled) and service delivery strategies & partnerships in place.”

1.3. RIBBLE VALLEY INVOLVEMENT IN e-GOVERNMENT

As part of Ribble Valley BC's involvement in this activity the e-Government Steering Group have produced two Implementing Electronic Government (IEG) statements and RVBC have received two payments of £200,000 each from Government funds towards the cost of implementing the projects outlined in them. The Group have also produced an e-Government Improvement Plan which is incorporated in the IEG statements but kept under regular review by the group.

1.4. SUMMARY OF SECTIONS

1.4.1. Section 2 - What is a Contact Centre?

A contact centre is a facility specifically set up to handle calls from citizens or business. The facility is often designed to be the primary telephone interface with local authority customers. A contact centre facility is a structured environment where telephone interaction is handled by a group of agents. An agent's main job is to handle inbound, outbound or both types of telephone calls from customers. Many strategies for local e-government promote a vision of electronic service delivery (ESD) that does not do away with the need for personal contact, including telephone contact, but rather call for this kind of interaction to be improved through the deployment of new technologies and working practices. The effective implementation of a contact centre can deliver this improvement. (from Briefing Paper – *IdeA knowledge*)(see Appendix A)

What is a contact centre – is it the same as a call centre?

A call centre only provides services to customers over the phone. The contact centre will deal with citizens through a variety of different methods – phone, face to face, email, Internet, post. In the future this could also include kiosks and digital TV (iDTV). One of the underpinning values of the contact centre will be that citizens can expect the same range and standards of service regardless of how they contact us. (*Lancs CC Member Briefing*)

A main component of a contact centre is a Customer Relationship Management (CRM) system this is briefly described here and in detail in Appendix F. A CRM system is at the heart of a contact centre and provides the basis for answering & tracking citizens' calls, recording citizen information and handling service requests. It acts as a key link between front & back office. Front office log requests for service through contact centre & other channels on to CRM where back office specialists process them from the CRM's queuing system. It also provides monitoring service delivery, backlogs, etc. It is able to have access implemented through alternative channels eg web self service, kiosks, etc.

1.4.2. Section 3 – Why have a Contact Centre?

Study of all the literature, seminar content and other forms of promotion leaves one in no doubt that the Government is looking at the establishment of contact centres as the main plank in the delivery of their e-Government agenda for local authorities.

Their requirements for e-Government are identified in a contact centre feasibility study carried out last year by Deloitte & Touche sponsored jointly by

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Lancs CC and Blackpool, Burnley & West Lancs Councils. These requirements are equally pertinent to RVBC, extracts from the study report are shown below. "The local government environment is experiencing an unprecedented level of change, primarily driven by increased expectations of stakeholders and rigorous inspection regimes by Central Government to ensure Best Value. At the heart of this 'modernisation agenda' is e-Government. Alongside this is the impending introduction of the Comprehensive Performance Assessment, which will provide a degree of freedoms and incentives to councils that can demonstrate they are 'leading' in service delivery.

This environment has therefore presented a number of external drivers for change which are summarised below:

- There is a clear agenda set by central government to change the face of local government. This has been underlined by the White Papers' Modernising Local Government and Strong Local Leadership – Quality Public Services. At the heart of this agenda is e-government.
- Best Value requires councils to review service delivery and where appropriate identify innovative methods of service delivery.
- Central Government funding almost certainly requires a partnership, either public public, or public private, in order to qualify.
- The recent white paper ' Strong Local Leadership – Quality Public Services' has introduced the Comprehensive Performance Assessment, which will categorise individual councils into a performance band. There is therefore an incentive to ensure that service delivery is regarded as high performing."

In the Introduction - Our Commitment - section of the RVBC IEG2 Statement there is reference to theme 7 of the RV Community Plan –Equality which states: *"We are committed to providing or enabling access to all services for the residents and business people in the borough"*.

The paragraph continues, "We will improve access to all services by removing disadvantage and through the development of equality & opportunity in respect of social, economic, cultural & environmental issues" It is submitted that installation of a contact centre would allow this commitment to be honoured in an effective, efficient manner.

1.4.3 Section 4 - What is involved?

The design, development and installation of a contact centre which meets government directives and the service expectations of Ribble Valley citizens is a major project. In addition to the considerable technological requirements there are a considerable number of cultural & working practice aspects to be addressed and resolved.

The ICT & Communications equipment costs is estimated by the Lancs Shared Service team to total £8.9 million. RVBC would almost certainly require all these elements but obviously the cost of each would be scaled down to reflect the smaller scale of the operation. Taking the crude measure of population the Ribble Valley figure would be 5% or approximately £450,000. However scaling down would not necessarily in every case, be in proportion to size. The current offer from LCC who would obviously carry most of the above

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costs, to District Councils to become members of the Lancs Shared Service Contact Centre (subject to 6 councils joining) is summarised below & in Section 4.4:

- A non-refundable 'joining fee':
Before 15 March 2003 - £95,000
After 14 March & before 31 March 2003 - £100,000
- To ensure stability no new joiners allowed for a 3 year period after the network of centres has gone live.

Operational costs will not be incurred until after a District Council has gone 'live'. So, if a District wishes to participate but not complete implementation/go live until say, March 2005, the Council should pay the joining fee but will not be expected to contribute towards operational/running costs until after March 2005

1.4.4 Section 5 – Alternative courses of action

There are 5 courses of action which Ribble Valley could take:

1.4.4.1 Go-It-Alone

RVBC could set up its own Contact Centre. This would require an enormous amount of resource & costly import of expertise. The Council would still not have a free hand as any centre would have to link to other services and thus conform to their standards at least in the interfaces & presentation of data. In view of the findings of the auditors Price Waterhouse Coopers viz RVBC lack project management, evaluation, & other skills required for the implementation of e-government, then go-it-alone does not appear to be an attractive option.

1.4.4.2 Outsource for a Managed Service

This would require much of the RV effort required for a go-it-alone solution and be subject to the same constraints. It is an option but whether is it realistic in timescale at this late stage?

1.4.4.3 E Lancs e-Gov Joint Service

The E Lancs e-Gov Partnership is currently not pursuing a separate contact centre route – most members are joining the Lancs Shared Service

1.4.4.4 Lancs Shared Service Contact Centre Partnership

This project is at an advanced stage of high level design with the procurement process at the short list for tender step. The amount of work carried out has been extensive & is the most risk free of all the alternatives. Full details are given in Section 6 below.

1.4.4.5 Do Not Have A Contact Centre

As illustrated in various sections of this paper, there are considerable pressures from a number of sources – Government (the 7 Critical Tests), Audit Commission (CPA, BV), etc – for the type of service delivery which can realistically only be provided by a contact centre or at the very least a Customer Relationship Management system (CRM). If Ribble Valley did decide to operate without installing contact centre or CRM facilities then, to satisfy e-Gov requirements and more importantly customer expectations, all the systems would probably need to allow quick & complete access to relevant data for staff answering queries, linkages to other authorities, service providers (health, police, LCC highways, social

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services, etc) from disparate systems, extended hours of working in all relevant departments, etc, etc. There would certainly be no 'free hand' for RVBC to have its own systems, standards, etc – these would be dictated by others – RVBC would have to conform to the majority's standards.

1.4.5 **Section 7 - Conclusions & Recommendations**

It is recommended that Ribble Valley BC commit to join the Lancs Shared Contact Centre Partnership before 31 March 2003 because:

- It is the least risk route to fulfilling Government requirements & the 2005 target date for e-Government
- It is almost certain to be the most cost effective method of providing the services expected and deserved by RVBC citizens
- The use of RVBC scarce resources can be scheduled to fit in with RVBC needs

If necessary, sufficient funds be diverted from other projects provisionally listed in the IEG2 Statement section on funding or IEG projects be rescheduled.

The full text of Section 7 is essential reading.

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2. WHAT IS A CONTACT CENTRE?

2.1. A basic definition of a contact centre is shown in para 2.2 below. In addition descriptions of contact centres are shown in para 2.3 and in the Lancs Shared Contact Centre Partnership member briefing shown in Section 6 below. The most commonly used component for any system intended to offer a service which meets the Government's 7 Critical Tests (para 1.2.1) is Customer Relationship Management or CRM. The references to CRMs in this paper will give an idea of their use, etc but for clarity a description is attached as Appendix F.

2.2 BASIC DEFINITION (*A briefing paper: contact centres - idea.gov.uk*)

A facility specifically set up to handle calls from citizens or business. The facility is often designed to be the primary telephone interface with local authority customers. A contact centre facility is a structured environment where telephone interaction is handled by a group of agents. An agent's main job is to handle inbound, outbound, or both types of telephone calls from customers. Many strategies for local e-government promote a vision of electronic service delivery (ESD) that does not do away with the need for personal contact, including telephone contact, but rather call for this kind of interaction to be improved through the deployment of new technologies and working practices. The effective implementation of a contact centre can deliver this improvement. Within this context a contact centre can deliver three benefits:

- better customer service
- improved effectiveness
- cost savings

The power of using a contact centre approach is that it has the potential to achieve all of these benefits simultaneously.

A copy of the full briefing paper is included as Appendix A.

2.3 CASE STUDY – CAMBRIDGESHIRE CC

Cambridgeshire CC is one of a number of case studies to be found on the www.idea.gov.uk knowledge website. It illustrates the approach taken by Cambs CC to identify & solve problems in their delivery of services in particular the importance of a contact centre. Extracts are attached as Appendix B.

The contact centre is part of the Cambridgeshire Direct programme. It will be a first point of call for all council services acting as a front office service together with one-stop-shops and a community portal for electronic access via the web. It is also a partnership initiative with one district council already 'signed-up' to share the contact centre with the county council.

Cambridgeshire County Council identified with a number of issues that were raised by users surrounding the delivery of services. These issues were voiced from a number of sources such as the concentration of best value reviews and customer-focused surveys.

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3 WHY HAVE A CONTACT CENTRE?

3.1 Lancs CC Findings

The key driving force behind the contact centre vision is that of improved access for citizens to council services across a number of channels, at flexible times.

Preliminary research undertaken via the MORI survey in Lancashire identified that:

- 43% of citizens surveyed stated that a single number for all council services would make it easier to get in touch with councils
- 23% of citizens surveyed stated that longer opening hours for council offices would make it easier to contact the councils
- 21% of citizens surveyed stated that being able to contact the council on Saturday mornings would be beneficial;
- 31% of citizens surveyed stated that they would prefer to interact with the council by phone where staff can deal with a wide range of enquiries or transaction;
- 26% of citizens prefer to conduct transactions face to face via a one stop shop;
- 71% of citizens stated that if they were to contact the council they would do so by telephone.

The contact centre will provide the following benefits:

- Increased convenience for the customer due to the introduction of streamlined telephone numbers for each council;
- Access to a wider range of council information and services;
- Easier access to the council for customers due to:
- enabling customers to access council services outside traditional working hours;
- increasing the number of access channels, ranging from telephone and internet to face to face in one stop shops.
- Improved service delivery for the customer due to:
- a significant proportion of contacts being satisfactorily resolved at the first enquiry;
- improved standards of service monitored by a specific set of performance targets and management;
- a faster service due to the utilisation of leading edge technology and more efficient working practices across the councils' contact staff;
- a more seamless and citizen proactive service being provided by the council through the contact centre.

3.2 GOVERNMENT REQUIREMENTS

3.2.1 In addition to the 7 Critical Tests (para 1.2.1) the Government requirements are identified in the findings of a contact centre feasibility study carried out last year by Deloitte & Touche sponsored jointly by Lancs CC and Blackpool, Burnley & West Lancs Councils. These 'external drivers' as listed in a report (*Towards a Shared Service Contact Centre – Vision Statement, June 2002*) are shown below.

3.2.2 The local government environment is experiencing an unprecedented level of change, primarily driven by increased expectations of stakeholders and rigorous inspection regimes by Central Government to ensure Best Value. At the heart of this

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'modernisation agenda' is e-Government. Alongside this is the impending introduction of the Comprehensive Performance Assessment, which will provide a degree of freedoms and incentives to council that can demonstrate they are 'leading' in service delivery.

3.2.3 This environment has therefore presented a number of external drivers for change which are summarised below:

- There is a clear agenda set by central government to change the face of local government. This has been underlined by the White Papers' Modernising Local Government and Strong Local Leadership – Quality Public Services. At the heart of this agenda is e-government. The contact centre will enable the council to focus on the delivery of services via modern, flexible access channels in line with e- government.
- Alongside e-Government is the responsibility of Best Value. This requires councils to review service delivery and where appropriate identify innovative methods of service delivery.
- It is predisposed that in order to challenge current methods of service delivery, councils should work in partnership with each other to share best practice. Central Government funding almost certainly requires a partnership, either public public, or public private, in order to qualify.
- The recent white paper ' Strong Local Leadership – Quality Public Services' has introduced the Comprehensive Performance Assessment, which will categorise individual councils into a performance band. Being graded as High Performing will allow certain freedoms and benefits. There is therefore an incentive to ensure that service delivery is regarded as high performing.

3.3 RVBC IEG2 STATEMENT COMMITMENTS

In the Introduction - Our Commitment - section of the RVBC IEG2 Statement there is reference to theme 7 of the RV Community Plan –Equality which states:

"We are committed to providing or enabling access to all services for the residents and business people in the borough".

The paragraph continues, "We will improve access to all services by removing disadvantage and through the development of equality & opportunity in respect of social, economic, cultural & environmental issues"

The Statement then goes on to describe how RVBC plan to meet the Government's '7 Critical Tests' (see para 1.2.1). Among these & throughout the statement there are several statements of intent either referring directly to contact centre facilities or where the provision of contact centre facilities is implicit for their fulfilment, two relevant extracts are below, the others are in Appendix C.

"Delivered or Supported Electronically

We believe that most people can benefit from accessing Council services electronically.

Working with the Lancashire e-Government Network to explore the possibility of a Lancashire wide Contact Centre that would be supported by a new Customer Relationship Management (CRM) system."

" Delivered Jointly

As a small rural district Council it is not possible for the Council alone to meet the diverse needs of the community. We must work with others to meet those needs. It will be necessary and desirable to work in partnership with both the public and private

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sectors in order to achieve the target of 100% ESD by 2005. “

3.4. AUDIT COMMISSION, CPA & BEST VALUE

3.4.1. There are many references to the relevance of the level of service provided by a contact centre to the requirements of Best Value and Comprehensive Performance Assessment. The Audit Commission have been very active in the role of e-Government in the provision of quality services.

3.4.2. Extracts from the report on their study of the topic are shown below and in more detail in Appendix E. (*Message beyond the Medium – Improving Local Government Services through e-Government: Audit Commission July 2002*)

- New technologies already play a significant role in the lives of many people...& looks likely to expand. The private sector is using new technologies to deliver services in a more convenient & cost effective way and customer expectations are rising.
- Councils must overcome the barriers of funding, lack of ICT skills & staff reluctance to change. ICT skills and business competencies are needed in equal measure
- Clear risk that e-gov means improved access but to unimproved services. Many councils focusing on broadening access to existing services & information by putting them on-line.
- While many people can say what service improvements they want & some might recognise the benefits of new technologies, few are likely to be able to articulate how these can help to deliver the improvements
- Progress is not uniform across councils and a gap is emerging between rhetoric & reality. In addition, all councils are struggling with developing robust business cases for e-government.
- Broadly councils can be divided into 2 groups – those confident of delivery & those that are more hesitant. Hesitant councils are more likely to agree that there are more important priorities for their council & more likely to cite a lack of member interest as a barrier.

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4 WHAT IS INVOLVED?

4.1 As will be deduced from a study of the various appendices, the design, development and installation of a contact centre which meets government directives and Ribble Valley citizens service expectations is a major project. In addition to the considerable technological requirements there are a many cultural & working practice aspects to be addressed & resolved.

4.2 LIKELY COSTS OF CREATING A CONTACT CENTRE

The table below shows the ICT & communications equipment costs which it is estimated by the Lancs CC shared service contact centre would be incurred (*Towards a Shared Service Contact Centre – Proposition for District Councils appx G*).

Cost Item	LCC PARTNERSHIP £
Server Technology	1,020,000
Technology running costs	1,293,575
Licenses and support	1,072,596
Firewall / switches	215,340
Line Leasing	1,272,190
Phone switches	645,000
Cabling and connectivity	1,163,000
Agent licensing	140,000
PC's	226,000
Implementation & testing	430,000
Consultancy, legal & training	250,000
Managed service premium	1,159,230
TOTAL	8,886,931

Breakdown of costs

4.3 RVBC would almost certainly require all these elements to create its own centre but obviously the cost of each would be scaled down to reflect the smaller scale of the operation. Taking the crude measure of population the Ribble Valley figure would be 5% or approximately £450,000. However scaling down would not necessarily in every case, be in proportion to size.

4.4 PARTNERSHIP COSTS (*Proposition for District Councils- See Appendix G*)

The current offer from LCC who would obviously carry most of the above costs, to District Councils to become members of the Lancs Shared Service Contact Centre (subject to 6 councils joining) is currently:

- A 10.03.03 non-refundable 'joining fee':
Before 15 March 2003 - £95,000
After 14 March & before 31 March 2003 - £100,000
- To ensure stability no new joiners allowed for a 3 year period after the network of centres has gone live.
- Operational costs will not be incurred until after a District Council has gone 'live'. So, if a District wishes to participate but not complete implementation/go live until say, March 2005, the Council should pay the joining fee but will not be expected to contribute towards operational/running costs until after March 2005

4.5 EXTRA COSTS

The costs outlined in the paragraphs & table above do not take account of the internal

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resources required to analyse existing methods of working, identify changes and implement e.g. business process re-engineering, change management, etc.

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5. ALTERNATIVE COURSES OF ACTION

5.1. GO IT ALONE

The Sections above describe what is involved in creating a contact centre & a very crude estimate of likely go-it-alone project costs. This does not include the considerable amount of resource required just going through a procurement procedure for the necessary technology/software nor the acquisition of the necessary expertise & skills to deliver the project. Another major factor is the extra resource requirement & related costs incurred in creating all the required linkage to other authorities & partners – health, police, highways, etc which would result from a go-it-alone approach.

In addition to these considerable technological requirements there are a large number of cultural & working practice aspects to be dealt with. It will be necessary to address these ‘other’ aspects whatever course is chosen but the load would surely be lightened by a partnership approach?

In this context the findings of the e-Government diagnostic review carried out by Price Waterhouse Coopers at the end of 2002 are pertinent. In the Areas for Development Section it points out that:

“There is no overall approach to the development & assessment of a business case for new projects & initiatives before they are approved.

There is no co-ordinated approach to performance measurement & evaluation of specific projects. Allied to this there is a lack of generic project management skills that will increasingly be required for the implementation of the e-gov agenda.

The Council has no overall approach to Business Process Re-engineering and Change Management that will become essential elements of the successful delivery of new initiatives & the Council’s overall e-gov approach.”

Whether one agrees with this assessment or not, the fact that an independent view has made these findings does not sit well with a go-it-alone approach.

5.2 OUTSOURCE

5.2.1 To outsource would entail going through many of the actions required in a go-it-alone approach e.g. the very extensive & resource consuming procurement process to select a supplier, the extra tasks in creating linkages, etc. The main advantage over go-it-alone would be the provision of skills, etc but no doubt at a cost.

5.2.2 Some authorities e.g. North Norfolk & S Northants Council have outsourced much of their e-government work to Capita plc & this is no doubt a path which Ribble Valley could explore. From their literature, Capita appear to be mainly interested in large scale contracts which seek to replace most the core systems of client councils with their own integrated package (including a contact centre) possibly they would also consider a more limited approach? For instance, they have “Within Bolton MBC helped to launch a revolutionary customer relationship strategy – a major rethink of the way the authority works & how it engages with the community”.

5.2.3 Other commercial organisations would provide similar outsourcing facilities including the provision of sites, staff, etc. Whether there is any advantage over the Lancs partnership virtual contact centre – cost or effectiveness – would need to be established.

5.3 E LANCS E-GOV PARTNERSHIP

The E Lancs e-Gov Partnership is not currently pursuing its own contact centre project route. It is understood that four of the partners (Burnley, Rossendale, Pendle &

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Hyndburn) are almost certainly signing up for the Lancs Shared Contact Centre partnership.

5.4 LANCS CONTACT CENTRE PARTNERSHIP

Full details of this option are given in Section 6 below, mainly in the form of extracts from Partnership documents.

5.5 DO NOT HAVE A CONTACT CENTRE

As illustrated in various sections of this paper, there are considerable pressures from a number of sources – Government (the 7 Critical Tests), Audit Commission (CPA, BV), etc – for the type of service delivery which can realistically only be provided by a contact centre or at the very least a Customer Relationship Management system (CRM). If Ribble Valley did decide to operate without installing contact centre or CRM facilities then to satisfy e-Gov requirements and more importantly customer expectations, all the systems would probably need to allow quick & complete access to relevant data for staff answering queries, linkages to other authorities, service providers (health, police, LCC highways, social services, etc) from disparate systems, extended hours of working in all relevant departments, etc, etc. There would certainly be no ‘free hand’ for RVBC to have its own systems, standards, etc – these would be dictated by others – RVBC would have to conform to the majority’s standards.

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6 LANCS CONTACT CENTRE PARTNERSHIP

6.1 PARTNERSHIP STEERING GROUP – DEVELOPING SHARED ACCESS TO SERVICES THROUGH A JOINT CONTACT CENTRE

It would be difficult to improve on the briefing document provided by Lancs CC for their members so this is produced below. It will be seen that many if not most, of references in the document to LCC operations apply equally to District Council operations. Further details of the proposed virtual call centre & the partnership arrangements are attached as Appendix D.

6.2 **Shared Services Contact Centre**

Introductory Briefing for Members

January 2003

What is a contact centre – is it the same as a call centre?

A call centre only provides services to customers over the phone. The contact centre will deal with citizens through a variety of different methods – phone, face to face, email, Internet, post. In the future this could also include kiosks and digital TV (iDTV). One of the underpinning values of the contact centre will be that citizens can expect the same range and standards of service regardless of how they contact us.

It's a shared contact centre – which other organisations are involved?

Not all the partners have signed up yet. The County Council will definitely go ahead with the contact centre, and the County has invited all the 12 districts to take part as well. At the moment it is likely that more than half of them will.

Where will it be?

There will not be one Contact Centre. All the partners will share the technology. This will enable a Contact Centre or One stop Shop to operate out of any number of locations across the county, most of which will be current office sites either for the County and district councils involved. It should be emphasised that modern local government Contact Centres, and there are many of them now, do not, in any way, correspond to the image of a call centre housed in a large warehouse type accommodation.

Why should our Council be included in the contact centre, aren't we okay as we are?

There are undeniably many areas of citizen contact that our Council are excellent at. However, there are clear areas of the corporate approach to contact with local citizens that could be improved. One example is the confusion that two-tier government causes in the minds of the citizen – they are often unsure of which council to contact to access a particular service. Every District Council is constantly telling enquirers to contact the County Council and the same is true for enquirers mistakenly contacting the County. The introduction of the contact centre will start to address some of these areas.

It is important also to acknowledge that local citizen's expectations of local authorities have increased and nowadays demand the same flexibility and responsiveness as they receive in other areas of modern living. This means that practices, which have met needs in the recent past, may require a 'fresh' look now.

So what are citizens expecting which we don't provide now?

LCC undertook a MORI survey recently, which, confirmed the generally held views that:

- Most local citizens do not know the distinction between the County Council and their district council and which provides which services

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- The contact hours for councils do not meet citizens needs as they are not open past general working hours
- Local citizens do not know which number to call to access which services of the councils
- Increasingly local citizens will want to access services over the Internet.

At present there is no co-ordination between the district councils and the County Council, even though they share the same citizen base. It is assumed that local citizens know in advance whom to call. Council opening hours are structured around staff working hours rather than when local citizens most need to contact the council.

At present a lot of enquiries directed at a service have to be resolved by the back office staff within that service, regardless of the nature of the enquiry.

So what will the contact centre bring which will resolve these problems?

The contact centre project is a joint venture between the County Council and the district councils.

The vision of the contact centre is such that each council will operate its own contact centre. These will be electronically linked together and share a customer relationship management (CRM) system. This is another name for an electronic database that stores a record of all citizen contact with each Council. It also has access to service related information that will help staff working in the Contact Centre to resolve the vast majority of enquiries at the first point of contact.

This means that any citizen can call any council regardless of location and service and their enquiry be dealt with, either at this first point of contact or, if appropriate, passed onto the relevant member of staff at the relevant council without the enquirer being aware that they are being passed on. From the public's perspective this will revolutionise access to local government services in Lancashire as the vast majority of their enquiries will now be resolved at this first point of contact.

Due to the linked technology, it will become possible over time to 'load share' calls between councils. If one particular council is particularly busy and cannot answer all calls coming in, rather than dropping calls, the system will be able to re route these calls to another council which has spare resources.

It will also be possible to operate flexible staffing hours on the contact centre which meet citizens' needs, as calls can be directed across all councils to staff that are handling calls. The CRM system will also allow a citizen profile to be developed of each caller which is automatically brought up on the screen when the customer calls. This will allow the staff to tailor their questions to the caller as their call history and requests will be available on screen. At present there is no co-ordination of citizen contact outside of records and files held within various sections of various departments in each Council.

How will the partnership between District Councils and County Council work?

A Partnership Steering Group has been established with member and Chief Office representation from each partner authority. This group will provide strategic guidance and ensure good governance of the project. It will also ensure that the project fulfils its original vision and act as a forum for communication between the partners.

Working with other organisations sounds complicated – everyone does things differently, and services at district and county level are different.

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We know from our reception staff that customers are confused about which services are provided by district councils and by the County Council. One of the reasons that the districts have been invited to take part in the project is to make it easier for customers to get the services they require. If there is one place that customers can contact to get details about all services, they are less likely to get passed around.

Service related workshops have been held for the Districts and County service managers and front line staff. It was apparent that the majority of enquiries for services were relatively straightforward and could be resolved at the first point of contact if staff had access to the right information. Some enquiries were more complicated and would have to be dealt with by the service experts in the back office.

It was also apparent that many Councils see the introduction of a Shared Service Contact Centre as an opportunity to change the way they delivered their services. Lessons learnt from Council in other parts of the country who have introduced Contact Centres indicate that it is important to examine the process by which services are currently delivered before introducing the new technology. We intend to do this and where appropriate re-design the service processes to ensure that the Council is not doing the same work in different parts of the organisation, for example financial assessments. This is known as Business Process Re-engineering and will help to ensure that access to public services are more efficient and economical for both the Council and the citizen.

How are we going to pay for this?

Funding will come from a variety of sources. Members of the County Council have already put funds by for the set-up costs for the County Council. District councils will also contribute. We anticipate that the County will pay 60% and the districts would pay the other 40% between them, but this is currently under review along with an equitable charging mechanism that would be acceptable to all District Councils. It is anticipated that the set-up costs for the District Council can be met out of IEG monies that the Districts have been given by Government.

We are looking to attract external funding. We know that central government looks favourably on partnership projects like this and there will be LGOL monies set aside for such projects. Other similar projects are attracting substantial sums. We are actively seeking opportunities for bidding for funds. The PSA is another example of where external funding can be obtained if we meet an agreed target.

So what are the staffing implications on setting up the contact centre? Is the council trying to save money and be looking to cut staff?

No. The driver behind the contact centre is not to make budget savings, but rather to improve quality of service to local citizens. The contact centre will have no effect on staffing levels. It is not anticipated that additional staff will be recruited to staff the centre or current staffing levels reduced.

The Partnership Steering Group also took an early decision that each Council would retain its own staff – there would be no transfer of staff to an outside agency. We will be looking to staff the Centre from existing staff. There will be a core set of skills that staff will have to meet to work in the Centre.

Won't the contact centre be unskilled, boring repetitive work?

Absolutely not! The staff within the contact centre will be highly trained and have to deal with a range of multi disciplinary enquiries relating to differing councils. There is a greater range of exposure to council services and citizen contact than ever before.

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The staff will also be trained to use the latest technology in Customer Relationship Management, and will be an increasingly important resource as more and more services are incorporated within the centre.

The staff will be fully trained to perform a highly skilled role. The contact centre will only be a success if the staff are highly skilled and motivated. It is worth stressing that this is a key strategic priority for the council, and high profile, as it will be the first contact citizens have with the council. The staff within the centre will reflect that priority.

What is the current status of the project?

The procurement exercise, conducted under European Union legislation, is underway and is expected to deliver a technology partner to implement, manage and maintain the new technology by June/July 2003. The timetable that the Partnership Steering Group has agreed requires a Contact Centre to be functioning by the end of 2003.

Whilst all 12 District Council have provided an indicative commitment to the procurement exercise, a full and formal commitment, that is, a financial commitment to the Partnership is now required by the end of March 2003.

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7 CONCLUSIONS & RECOMMENDATIONS

- 7.1 There are several questions which should be answered before Ribble Valley BC take any decisions on how to proceed in relation to the place of Contact Centres in meeting the Government's e-Government requirements by the target date of 2005. These are:
- Is a Contact Centre necessary to enable RVBC to deliver services to customer's expectations &/or to meet Government requirements?
 - If a Centre considered not necessary, what will be installed to ensure the requirements are met?
 - If a Centre considered necessary, should RVBC go-it-alone, outsource or join the Lancs Partnership?
 - If the decision is taken to join the Lancs Partnership should joining be deferred for 3 years or should a partnership be reserved for implementation at RVBC pace & timing

7.2 a) Contact Centre Necessary?

Much of this paper is devoted to documents which either assume that the answer is so obvious that not going down the contact centre route in some form or other is not even considered or the advantages of a centre are outlined in all their compelling starkness. The service delivery available through a contact centre is ideal for an authority with many remote rural areas. A centre gives vastly improved access to those disadvantaged areas through the variety of mechanisms including the most popular method – the telephone. The LCC Briefing Paper in Section 6 also addresses many of the questions about the need for a Contact Centre which apply equally to RVBC. Bearing in mind that the vast majority of authorities are planning centres then RVBC would be somewhat out on a limb if it decided not to have the use of such a facility. How this would be viewed in terms of Best Value or CPA is an interesting thought particularly in the light of commitments made in the IEG2 Statement – it is a high risk option.

7.3 b) How could requirements be met without a Contact Centre

As most of the effort by other authorities and the resources of consultants are being directed towards contact centre technology then there are potential difficulties in RVBC buying in resources to meet the requirements other than at the sake of major cost or loss of quality. There is no doubt whatsoever that the Council could not carry out the necessary work from its current resources particularly when one considers the findings of the Price Waterhouse Coopers diagnostic of our resources, skills & capacity (see Section 5.1). These are enough in themselves to preclude any notion of go-it-alone – this too is a high risk option.

7.4 c) Should an RVBC Contact Centre be Go-It-Alone, Outsourced or Partnership?

The arguments against go-it-alone are outlined in Section 5.1 so will not be repeated here. The findings of the Price Waterhouse Coopers diagnostic are also relevant here. It is a high risk option.

Outsourcing while a possibility, is not very attractive bearing in mind the RVBC resources required and the very late start if the target date is to be met. There seems to be no advantage in the managed service route in terms of cost, timescale, etc. On the possibility of outsourcing to another authority eg Liverpool a case can be made. It seems somewhat illogical however to outsource to an authority while still having to provide all the links to our neighbouring authorities, LCC and other partners such as Health. Although a practical solution, assessing the suitability of a partner &

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establishing the costs of providing links etc would not be a trivial task. It is a high/medium risk option.

Both the go-it-alone & the managed outsourcing routes suffer from not fulfilling the Government requirements regarding working in partnerships. The Lancs Shared Service Contact Centre Partnership fulfils the partnership requirement and is also almost certainly the lowest risk option available to RVBC. The LCC Briefing Paper in Section 6 also addresses many of the questions about the advantages of a Contact Centre for Lancashire authorities.

7.5 d) If RVBC join Lancs partnership should this be deferred for 3 years?

One could argue that the Lancs Partnership are playing brinkmanship in requiring a decision from District Councils by March 31 2003 with a 3 year freeze-out if not. That is as maybe but assuming they are serious then the risk to RVBC of not joining is very high indeed. The alternative courses of action are limited if not non-existent

7.5.1 Without joining RVBC risk poor CPA & BV marking – the Price Waterhouse Cooper findings would be considered in assessment?

7.5.2 A possible struggle to obtain any further government funds for e-Gov or any funds being directed towards specific tasks (this has been mooted by ODPM). Non-realisation of IEG2 commitments would be considered

7.5.3 RVBC would be out on a limb with reference to our immediate neighbour authorities & E Lancs e-Gov partners

7.6 RECOMMENDATION

It is recommended that Ribble Valley BC commit to join the Lancs Shared Contact Centre Partnership before 31 March 2003 because:

- It is the least risk route to fulfilling Government requirements & the 2005 target date for e-Government
- It is almost certain to be the most cost effective method of providing the services expected and deserved by RVBC citizens
- The use of RVBC scarce resources can be scheduled to fit in with RVBC needs
- If necessary, sufficient funds be diverted from other projects provisionally listed in the IEG2 Statement section on funding or projects be rescheduled.

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APPENDICES

APPENDIX A BRIEFING PAPER – CONTACT CENTRES

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Briefing: contact centres

Basic definition

A facility specifically set up to handle calls from citizens or business. They are often designed to be the primary telephone interface with local authority customers. A contact centre facility is a structured environment where telephone interaction is handled by a group of agents. An agent's main job is to handle inbound, outbound, or both types of telephone calls from customers. Many strategies for local e-government promote a vision of electronic service delivery (ESD) that does not do away with the need for personal contact, including telephone contact, but rather call for this kind of interaction to be improved through the deployment of new technologies and working practices. The effective implementation of a contact centre can deliver this improvement. Within this context a contact centre can deliver three benefits:

- better customer service
- improved effectiveness
- cost savings

The power of using a contact centre approach is that it has the potential to achieve all of these benefits simultaneously.

Better customer service

The contact centre can transform the experience of interacting with government into a quick, single interaction by:

- eliminating or reducing form filling and lengthy waits for replies
- interactively making and reviewing decisions about a case while the caller is on the line
- dealing immediately with any questions
- reducing the effort involved in dealing with government
- eliminating most, and possibly all, of the need to travel to face to face meetings
- dealing with citizens at a time that is convenient to them, for example, in the evenings and at weekends

Well implemented contact centres can allow users to deal directly with council officer who have all the necessary information and decision making capability at their finger-tips.

Improved effectiveness

While a call agent deals with a caller, a computer system places all the tools needed for interaction at the agent's disposal. Well designed e-support for contact centres can enable authorities to:

- resolve issues more easily and quickly than by using a paper-based process
- eliminate ambiguity by asking questions, for example to resolve apparent contradictions in the information given to the agent
- routinise and control the process, using the best of current practice in the work of all the agents
- intelligently supplement the agents' knowledge with screen-based information
- automate those parts of the task that do not require supervision by the agent, in particular back-office work, and re-deploy staff from back-office functions to the front line.

Contact centres can be especially effective where:

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- there is an existing process that is well known, that is already standardised - or can be easily made so
- the process is being re-designed, and a routine process being employed - for example, when a new process involves multiple agencies, opening a joint contact centre can prove a very effective way of dealing with citizens
- the process has multiple decision points and branches. Using appropriate software, all the appropriate information needed by the agent can be delivered to the agent's desktop as the process progresses

Working to standardised process does not mean that no expertise is demanded of the agents. Implementing a contact centre can increase and change the skills demanded from the agents. However, it does mean that the overall process involved in dealing with callers must be well defined.

Cost savings

Working more effectively can lead to ongoing cost savings, but there are other savings besides, which include:

- reducing the space needed to deliver service, where appropriate (savings in facilities)
- reduce the amount of work in progress by reducing the number of interactions to deal with individual cases (better process efficiency)
- more effective utilisation of staff time (better productivity).

However, reducing costs should never be the sole focus of a contact centre project.

Other benefits

Aside from the improvements in responsiveness and productivity that can accompany implementation, contact centres can eliminate physical threats that a proportion of front line staff have previously encountered. They make it easier to control abuse by empowering staff to terminate interactions, and by recording of calls as standard practice.

Challenges

Despite the benefits of contact centres, there are also constraints upon local authorities that limit the development of such ventures. The most obvious constraint is the availability of both financial and human resources. Centre managers have also been keen to highlight that the existing service and corporate culture can constrain the development of re-shaped meta-services, which may need to be designed, managed and delivered in innovative non-traditional styles. The existing technologies used within many local authorities can also make it difficult to develop a contact centre that necessitate the usage of newer, highly efficient, technologies available.

Staff and management

The e-Envoy contact centre guidelines call for more customer-focused service and improved call handling in public sector contact centres. It is important to recognise that contact centre agents, team leaders and managers are critical to achieving this goal. Their proper motivation, recruitment, retention, training, reward, health and safety are essential elements of effective use of contact centres in the public sector.

Traditional public service conditions offer a core time, of between 10am and 4pm and flexi-time outside of these hours. However, the customer facing nature of the contact centre environment requires certainty for managers on the number of staff available to answer and make calls at a particular time of day, and the need to support the extended business day.

Technological challenges

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Contact centre staff must be provided with user-centred and customer-focused information and support systems in order to deliver the level of service that is desired. Commercial contact centres normally have quite a narrowly defined purpose, and call patterns – the type and timing – can usually be predicted and controlled (through links with promotions, for example). In contrast, local authority contact centres usually aim to deal with a wide variety of call types, and typically set targets of 70 to 80% first time call resolution. Many of the calls local government agents receive will not be predictable. This is particularly the case for contact centres whose main aim is to act as a single, or first point of interaction between the whole authority and citizens and businesses. By illustration, a typical unitary authority can provide over 700 distinct services. A key challenge is to manage this complexity, using effective e-tools, to best effect. Many telephone based contact centres are evolving into new, multi-media centres - in order to provide consistent service across a choice of non-face to face access channels, including:

- e-mail
- website interaction
- text-chat
- fax
- post
- voice-over-IP telephony
- standard voice calls
- video.

The varied nature of the contact centre industry and the speed of its growth has resulted in a lack of open contact centre standards. This factor combined with the high cost of new service and system integration and the operation of new services which are all based on different technologies, has restricted the chance for contact centres to upgrade their technology. The e-Envoy contact centre guidelines propose five main objectives to improve standard:

- suitability for purpose: applying an architecture and standards that are suitable for the business purpose
- enabling contact centres to take on new technology at minimum cost and minimum disruption to existing services
- enabling ease of integration with government enterprise wide legacy IT systems
- enabling ease of integration between contact centres
- enabling ease of integration of new applications, management information and computer telephony integration packages into existing contact centres

The use of an open architecture is particularly important as it allow for the future provision of further access channels, which serve to encourage greater customer interaction. For example:

- e-mail handling
- website interaction
- text-chat
- voice-over-IP telephony
- video
- Computer Telephony Integration (CTI)

With thanks to the e-Envoy for supplying most of the information contained in this case study.

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APPENDIX B CAMBRIDGESHIRE COUNTY COUNCIL DIRECT

The contact centre is part of the Cambridgeshire Direct programme. It will be a first point of call for all council services acting as a front office service together with one-stop-shops and a community portal for electronic access via the web. It is also a partnership initiative with one district council already 'signed-up' to share the contact centre with the county council.

Cambridgeshire County Council identified with a number of issues that were raised by users surrounding the delivery of services. These issues were voiced from a number of sources such as the concentration of best value reviews and customer-focused surveys. The main issues were:

- citizens unable to find the right person to talk to when contacting the council, and being passed from people to person in different departments
- limited access and inappropriate opening hours (8:30am to 17:30pm) for citizens who work during the day and want to contact their council; best value reviews on social services also showed these concerns citizens did not want to listen to long recorded messages regarding council services, when contacting their council via the phone. Users want a more direct channel to information and services. The phone remains the most popular way to contact Cambridgeshire County Council, although Cambridgeshire has a very high internet use
- security and convenience when making transactions, finding information and using services.

What can front office systems do for local government?

Cambridgeshire Direct aims to meet citizen's needs, by making it easy for people to contact the council and get the services they need. The infrastructure of a contact centre includes a Customer Relationship Management System, which will form the information and transaction 'hub' for Cambridgeshire Direct. Working with partners was considered crucial to this initiative and 'Joint e-government Group' was set up, which consisted of senior e-champions from the county surrounding district councils to ensure that all the partners had a strategic overview of the programme.

The contact centre will deliver:

- opening hours of 8:00 to 20:00hrs, 6 days a week, to make the council as accessible as possible The target is to have 80% of initial enquiries answered by the first point of contact and for more complex queries or those requiring detailed professional experience, to be forwarded to the right person first time
- via the CRM an understanding of the council's citizens and their needs so that service users do not have to repeat information unnecessarily
- joined-up and seamless services with an increased emphasis on partnership. The contact centre will be linked with NHS Direct <http://www.nhsdirect.nhs.uk/> and will also offer various options for district councils to link with the county to offer seamless services to the public. the centre will be increasingly linked to the community portal so that users can engage with the council on the telephone or via the internet.

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APPENDIX C RVBC IEG2 STATEMENT – EXTRACTS SHOWING COMMITMENTS

1. Vision (IEG2, p2, 1.12)

The 7 Critical Tests (see also Main Section 1.2 above)

1.1. Joined Up

Our aim is to provide a service that gives clear accurate and comprehensive information to all of our customers.

1.2. Accessible

We recognize that our customers need to be able to obtain access to information and services at times, and in ways that suit them, and to fulfil their requirements accurately and personally.

1.3. Delivered or Supported Electronically

We believe that most people can benefit from accessing Council services electronically. Working with the Lancashire e-Government Network to explore the possibility of a Lancashire wide Contact Centre that would be supported by a new Customer Relationship Management (CRM) system.

1.4. Delivered Jointly

As a small rural district Council it is not possible for the Council alone to meet the diverse needs of the community. We must work with others to meet those needs. It will be necessary and desirable to work in partnership with both the public and private sectors in order to achieve the target of 100% ESD by 2005.

We are members of the Lancashire e-Government Network, which is a partnership that brings together public service organisations across Lancashire to work together to deliver Local Government Online. All local authority partners have stated their commitment to this Network on the basis that:

- partnership and 'joined up services' are a prerequisite to transforming local public
- services, rather than merely automating existing arrangements;
- this is in line with customer/citizen expectation;
- delivering this will only come about by sharing resources and expertise in support of this shared commitment.

1.5. Delivered Seamlessly

Based on individual needs and circumstances we will use and share information more effectively to assist in the delivery of seamless services.

1.6. Open & Accountable

We believe that e-Government has a crucial role to play in enhancing democratic involvement. Increasingly citizens will be able to request access to more information, communicate with their elected representatives and even take part in electronic consultation and referenda. It is this proactive utilisation of Information Technology (I.T.) that we intend to engender within our modernised political and democratic structures.

Comprehensive Performance Assessment (CPA) will measure our success in delivering high quality services to local people now and in the future.

1.7. Used by e-Citizens

All information, consultation and service provision will take account of cultural diversity, help to reduce social exclusion, and be accessible to individuals and

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communities irrespective of personal circumstance, geographical situation and age. As indicated by our customer survey*, conducted in June 2002, a choice of means of access is essential, some customers prefer face-to-face contact whilst other customers prefer to use the phone, e-mail, the Internet or fax.

**The survey showed preferences: By telephone – 52.9%; by letter – 7.2%; by email – 5.8%; by calling in (face to face) – 25.5%; no preferred method – 8.6%.*

2. Priority Outcomes & Services (IEG2 p5, 2.1)

2.1 Our crosscutting objectives of the following are:

- **Customer Service**
We are exploring with the other districts in Lancashire through the Lancashire e-Government Network a joint CRM model that will give extended access hours. We are investigating a way of working that will provide a seamless service to the customer that also takes the implications of the Data Protection Act into account.
- **Social Inclusion**
To meet the needs of our citizens in the rural areas of Ribble Valley, who do not have access to a computer, we will install Kiosk type facilities, which will be available to support these village communities. Typically, these might be installed in a local shop, post office or village hall. This will provide an effective means of service provision to even the smallest community.

3 Seven key priority services (IEG2 p6, 2.2):

- 3.1 **raising standards across our schools:** primarily Lancashire County Council, as the education authority; administers our local schools. However, Ribble Valley Borough Council has close links with these schools, supporting work experience and taking an active role in career planning.
- 3.2 **Improving the quality of life:**
of children, young people and families at risk: To contribute to these aims the Council has a number of targets as part of its Housing Strategy (2001-2005). These are:
 - promoting healthier communities
 - promoting the economic vitality of localities**of older people** – We work with Lancashire County Council Social Services to pursue a greater range of care services in sheltered accommodation
- 3.3 **promoting healthier communities and narrowing health inequalities** - the Ribble Valley Health Promotion Strategy looks at ways that the Council can work in partnerships with other agencies, especially the newly formed Hyndburn & Ribble Valley Primary Care Trust, to promote healthier communities within our borough
- 3.4 **creating safer and stronger communities by** - Working with the police and other local agencies the Ribble Valley Crime Reduction Partnership has been created to identify and action initiatives aimed at combating crime in our area. The Health Authority and Police are partners in our East Lancashire e-Government group and it is our intention to work at this level to further healthier communities.
- 3.5 **meeting local transport needs more effectively** – although public transport is a function that is mainly covered by Lancashire County Council, Ribble Valley Borough Council in partnership, has helped build Clitheroe's Bus and Rail Interchange to enable

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better access to the town and villages. The Interchange has an Information Centre that is manned 7 days a week from 7am-11pm Mon-Sat and 9am-9.30pm on Sundays.

- 3.6 **promoting the economic vitality of localities** – the Ribble Valley Strategic Partnership has a membership of over 60 public, private, voluntary and community based organisations that work at both a strategic and a grass roots level.
- 4 National Framework for eGovernment) (IEG2, p8, 3)
 - 4.1 Theme 1: Transactions (IEG2, p9, 3.1.2)

We will be providing facilities for on-line payments towards the end of 2002. This will be the Radius ICON e-payments (electronic cash and card payments) system, which allows credit, debit or charge card payment to be taken electronically over the counter, remotely over the Internet, by the Council in call centres, service centres and departments using the Intranet, automatically using the Automated Telephone Payments (ATP) and both cash and card payments at a kiosk.
 - 4.2 Theme 2 Access Channels (IEG2, p11, 3.2)

We aim to provide equal access to our services by engaging our customers & service users to find out what they require. A recent survey* of our customers was conducted in June 2002 to assess preference for contacting the Council; this showed a preferred option for the telephone.

**See para 1.7 of this appendix.*
 - 4.3 Theme 3: Enablers (IEG2, p13, 3)
 - 4.3.1 **CRM** - At the present time we are active participants in the Lancashire CRM project, but we are not yet legally nor financially committed. We are members of the Lancashire e-Government Network who are involved with the development of this project.
 - 4.3.2 **Case Base Reasoning / Query Handling** – We consider our Revenues, Benefits & Housing system 'Iworld' upgrade will give our customers a means of determining their entitlement to benefits etc. However, as a small Council we do not consider that comprehensive Case Base Reasoning is an area that could be managed alone, but could be a project achieved in association with the East Lancashire e-Government

Latest thoughts of the E Lancs e-Gov partnership are that this may be part of Lancs Shared Contact Centre Partnership
 - 4.3.3 **Knowledge Management** – This is not considered to be practical at the present time. Could possibly be carried out in collaboration with our partners in the future.
 - 4.3.4 **Customer Database** – We have many customer databases throughout the authority holding different types of information, but recognize that a combined database would enable us to conduct better query handling.

The provision of a CRM database goes a long way towards resolving this problem of data availability & consistency.
- 4.4. Theme 5: Organisational Development (IEG2, p17, 3.5)
 - 4.1.1. Progress

We have made significant progress Investigating with Lancashire wide authorities a CRM system
 - 4.1.2. Project Management arrangements

Our partners in the Lancashire Shared Service Contact Centre project use formal project management tools/arrangements, which is likely to cover our requirements for major changes such as CRM, etc

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4.1.3. Business Process Re-engineering Schemes

The Council sees business process re-engineering (BPR*) as an opportunity to streamline & speed up services for our customers.

Consequently the way we deliver services is bound to change as back & front office integration takes place.

**BPR is a major plank in the Lancs Shared Service Contact Centre project.*

5 Section 5 - Risk Assessment (IEG2, p24, 5.1)

5.1 The main area of risk to achieving the 2005 target will be the lack of staff resources at management and senior officer level. All Council departments have a full and ever expanding workload and it will be difficult to provide staff dedicated for e-Government work. (p24, 5.1.2)

5.2 Regular monitoring of our e-Government Strategy will highlight further risks as the strategy evolves. The continuous development of the strategy will have to take account of (p24, 5.1.4):

- technology changes in communication methods
- how citizens requirements could change after exposure to ESD
- the changing demands of user departments
- the evolving joint projects within E Lancs

5.3 Risk Element Table 10 (p24-5, 5.1.5)

5.3.1 Risk -The cultural change to deliver seamless, joined up services which are customer focused is not realised

Impact - High

Probability - Low

Proposed Solution - There already exists a high level commitment to meet the 2005 target but much work/training is required

5.3.2 Risk - New access channels do not meet customers expectations or are not utilised

Impact - High

Probability - Medium

Proposed Solution - Ensure continuous assessment of customer requirements

5.3.3 Risk - Wide area network (WAN) infrastructure may not be put in place by our East Lancashire Partnership arrangements

Impact - Medium

Probability - Low/Medium

Proposed Solution - Collaborate closely with our East Lancashire partners and the Lancashire Shared Service Contact Centre to ensure project funding and co-ordination.

5.3.4 Risk - Inability to support extended access (24x7) or ESD exposes hidden demand

Impact - High

Probability - Medium

Proposed Solution - Continue to work with partners and emphasise potential dangers for authorities with limited resources / flexibility and need for sharing resources.

Design systems which are useable by contact staff at any location.

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APPENDIX D –LANCS SHARED CONTACT CENTRE

1 The next set of paragraphs are taken from the Partnership Approach section of the LCC Cabinet Report on a Shared Contact Centre (March 2002). They describe the thinking behind deciding on partnership as the way forward.

“The advantages of undertaking this project in collaboration with partners from District Councils can clearly be identified as:

Responding to and leading organisational/local government change, by setting a positive example of ‘joined up government’ (linking not only similar services across different Councils, but also related services within Councils), improving organisational learning across boundaries and repositioning services as more strategic and less administrative;

Meeting the principles and practice of the Government’s Best Value and modernisation agenda for improving service delivery, implementing e-government and establishing effective partnership working with the private sector;

Creating an appropriate critical mass in terms of customers/users;

Allows authorities to reap the benefits of economies of scale, in terms of use of resources and leveraging new technology;

Improving service quality, through increased consistency, timeliness and accuracy through improved processes, increased awareness of best practices and customer knowledge;

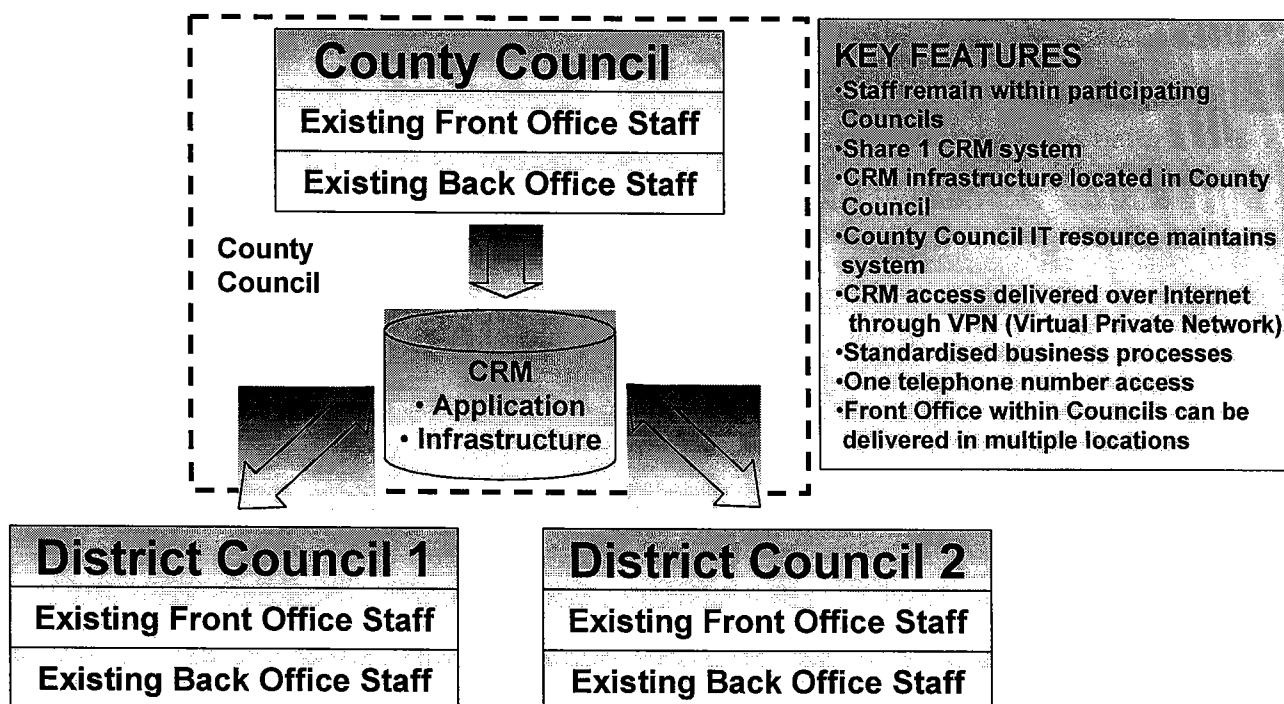
Improving service potential, by utilising greater resources of a shared centre, extending opening hours and access channels(including self-service and one-stop shops) and leveraging the potential of outbound telephony;

Improving staff satisfaction, by providing opportunities for staff development and career progression within the region, freeing up professionals’ time to focus on more complex enquiries and providing staff with improved technological support.

One of the immediate advantages of the virtual contact centre model is its flexibility and scalability. This will enable partners to progress at an agreed pace, with those at more advanced stages, or wishing to proceed more quickly, to lead on, or pilot certain areas on behalf of all partners. This will be particularly important for the procurement of a CRM application. All partners would wish to be involved in the decision-making process, with a smaller number leading on the procurement process, and piloting the implementation, with other partners following. Similarly, those partners already committed to existing service delivery mechanisms, or not having the funding to invest in new developments, may wish to choose to more carefully when they join the project as partners, or when they move to the implementation phase. In other words, all partners will have a degree of flexibility in regard to their pace of implementation.”

Option 2: Virtual Contact Centre

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The next paragraphs are taken from Partnership Steering Group documents – September 2002 onwards:

The Terms of Reference for the Partnership are:

Oversee the establishment of appropriate governance arrangements Terms of reference

- for the project, through the development of protocols to assist the smooth management of the project, including a framework for the resolution of disputes;
- Oversee the procurement and the subsequent development of a contact centre for Lancashire Councils;
- Ensure that the contact centre is developed on the basis of the vision for joined-up service delivery, as described in the annex;
- Ensure effective communication throughout the participating Councils, and act as a forum for the dissemination of good practice;
- Ensure that citizens' views are sought to influence the development, as required;
- Agree standards for the contact centre which encourage consistency in regard to accessibility, responsiveness and service delivery;
- Agree cost sharing arrangements for the procurement and implementation of the contact centre;
- Agree cost sharing arrangements for the operational running of the contact centre;

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- Agree the service level agreements in support of inter-agency working;
- Agree appropriate performance measures for the contact centre; Co-ordinate reporting to Councils, through appropriate Cabinet and Committees, as required.
- Address the wider communications issues, across the partner authorities, including staff and other key stakeholders.

THE VISION FOR THE PARTNERSHIP

Each authority is starting from a different standpoint. For all authorities, however, there are common factors in terms of identifiable aims and benefits. It is clear that:

- Issues regarding quality and accessibility are primary factors, as well as cost;
- We must avoid excessive automation - customers want to talk to people, not machines;
- The process of joining up services must not blur the relationship or lines of accountability between citizen and Council, or between Councils;
- Each Council wants to preserve its autonomy, and improve the relationship with citizens (those who do not use services as well as those who do);
- The infrastructure must be scalable, and sufficiently flexible to work across Councils, regardless of any future reorganisation of local government;
- There is an appreciation that cost savings will be generated, but not necessarily at the outset. Those authorities who have already implemented contact centres, one stop shops, or simply established Customer Services Teams, have reported increases in workload by improving accessibility, and these increases are not easy to plan for, let alone absorb;
- The partnership must be flexible enough to allow Councils to determine their own pace of change, and this should be done by establishing the decision-making structures, piloting specific projects through smaller groups of authorities on behalf of the partnership, etc.
- The establishment of the partnership, through a model such as a joint venture company, allows that flexibility, and gives all partners their role in the decision-making processes. It also preserves the autonomy of each partner, as separate Councils;
- This model also allows each Council to have its own relationships, contractual or strategic, with other partners. The multi-layering of partnerships brings an added dimension to the partnership, which will need careful consideration;
- This model also avoids the more demanding organisational change issues associated with the transfer of staff;
- The model assists all authorities in meeting their e-government targets.

In terms of service delivery, benefits include:

- Increased convenience for the customer through streamlined telephone numbers for each council;
- Easier access to a wider range of council information and services;
- Extending access to council services outside traditional working hours;

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- Increasing the number of access channels using the same technological platform (telephone, internet, face to face in one stop shops, etc).
- Improved service delivery for the customer through:
- a significant proportion of contacts being satisfactorily resolved at the first enquiry;
- improved standards of service monitored by a specific set of performance targets and management;
- better use of technology resulting in more efficient working practices, and thereby delivering a faster, more responsive service;
- a more seamless and citizen-centred service being provided by through the contact centre.

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APPENDIX E AUDIT COMMISSION VIEWS

Extracts from the Audit Commission report on their study of the topic are shown below. (*Message beyond the Medium – Improving Local Government Services through e-Government: Audit Commission July 2002*)

- New technologies already play a significant role in the lives of many people...& this looks likely to expand. The private sector is using new technologies to deliver services in a more convenient & cost effective way and customer expectations are rising.
- Councils need a practical vision of how technology can deliver & improve services. This is not easy
- Councils must overcome the barriers of funding, lack of ICT skills & staff reluctance to change. ICT skills and business competencies are needed in equal measure
- Clear risk that e-gov means improved access but to unimproved services. Many councils focusing on broadening access to existing services & information by putting them on-line.
- While many people can say what service improvements they want & some might recognise the benefits of new technologies, few are likely to be able to articulate how these can help to deliver the improvements
- Progress is not uniform across councils and a gap is emerging between rhetoric & reality. In addition, all councils are struggling with developing robust business cases for e-government.
- Broadly councils can be divided into 2 groups – those confident of delivery & those that are more hesitant. Hesitant councils are more likely to agree that there are more important priorities for their council, been driven by government initiatives, targets, best value agenda & more likely to cite a lack of member interest as a barrier.

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APPENDIX F CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

The following description is taken from the Lancs Shared Contact Centre Vision Document.

1.1.1 The CRM system

The contact centre will be supported by a new Customer Relationship Management (CRM) system. The CRM system will be at the heart of the partnership and will provide the basis for answering and tracking citizens' calls, recording citizen information and handling service requests.

The CRM application will act as a key link between front and back office. Front office, through the contact centre and other delivery channels, will log requests for service onto the CRM application. Back office specialists will then process service requests from the CRM's queuing system. The CRM application will provide a mechanism for monitoring service delivery in terms of requests dealt with, waiting times and backlogs.

The web standards delivery mechanism of modern CRM applications means that it is relatively easy to implement access through alternative channels, e.g. web self service by citizens, kiosks etc.

There will be different types of users on the system, e.g. contact centre staff, citizens via kiosks or the internet. Each user type will have different views of the system and the data through the use of the different portals:

- An *employee portal* will be used by council staff to access the system. Access will require authentication, i.e. a login/password process or equivalent.
- A *citizen portal* will be used by citizens to access the system externally e.g. over the web or from a kiosk. Some areas of the site will be open access and others will require a login.
- An external *partner portal* can be used by external organisations such as police forces, local area health authorities and education authorities, to access the system should the councils so wish.

Portals give different views of the data and functionality of the CRM system depending on the needs of the user. For example, the citizen portal will have a high level of graphics and presentation, but very restricted access to data and functionality. The employee portal will be configured for speed of operation over presentation, and will have a much greater level of functionality.

In principle information and functionality will be available regardless of which channel is used for delivery, but some exceptions are likely where functionality is restricted to certain channels only.

The CRM system will be based on an existing off-the-shelf CRM application. Developing a CRM from scratch is an exhaustive and unnecessary task given that a variety of tried and tested CRM applications already exist. Modern CRM applications have been designed to be modified, so using an out-of-the-box starting point will minimise cost and development time.

The final vendor and technical architecture of the CRM system will be decided by the JVC or the shadow board of the JVC in the procurement stage of this project through a tender process with alternative suppliers. For the purposes of this business case we

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will use as an example the purchase of a tried and tested CRM solution in UK local government, Onyx e-Shop.

New hardware as described below will be purchased by the JVC to support the CRM application, which will be industry standard hardware in order to minimise long-term running and support costs.

1.1.2 Links to other systems

The CRM system will have the functionality to link to a document management system when the contact centre is able to build this in. This would allow the call handler to have an appropriate scanned document on the screen whilst they are talking to the customer. The CRM system would be able to call up the appropriate document on screen automatically or on request of the operator as appropriate once the required document management system is in place.

Email access will be built into the CRM solution to allow call handlers to send email from the CRM application, and hence allow emails addressed to the council/contact centre to be handled.

The CRM will need to be linked into, or have a download of data from, at least one GIS at first to provide the CRM applications with a database of properties within Lancashire. In addition, the CRM will have a mechanism to allow it to communicate with other legacy applications, and future applications being explored by councils including Document Management Systems (DMS). These links will not be implemented in the first release but developed and phased in over time. Access to legacy systems will be through Enterprise Application Integration techniques and/or XML based interfaces.

The extent of initial integration of the CRM system into existing and forthcoming systems needs to be agreed.

1.1.3 Hardware and associated infrastructure

CRM systems such as Onyx can be run on a variety of hardware. The three key elements are the servers, the network infrastructure and the telecommunications infrastructure. The specification of hardware will be decided as part of the procurement process, but for the purposes of this illustration it can be assumed to be:

- Several servers to run the CRM software;
- A telephone switch to support call handling. This will be integrated into the CRM application to allow facilities including:
 - Call transfer – where a customer's call plus their details on screen can be transferred from one operator to another;
 - Call pop-ups – automatic recognition of a callers number to an associated citizen record, although clearly this is not feasible or appropriate in all cases.
- Additional network and telephone infrastructure hardware to link the above hardware with the individual councils and specifically their contact centre teams.

Existing suitable systems and infrastructure will be used wherever possible to minimise the additional cost. Access to the CRM application will be delivered through a web browser, allowing access by participating councils using their existing

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hardware. This method of software delivery has the benefit that little or no software is installed on the councils' PC's, minimising remote support requirements. This also makes it easier to roll out access to additional access channels as browser based access can be seen as a 'lowest common denominator'.

The whole contact centre solution is scalable to cope with additional business processes being transferred into the contact centre, or where additional partners join the partnership. The CRM solution will also be highly reliable to support the business critical operation of the contact centre.

1.1.4 Data

The data collected by the contact centre will be stored in the database integrated within the CRM system. The database will be a widely used standard type, e.g. SQL Server or ORACLE with standard reporting tools such as Cognos, which will facilitate future development and integration.

Data held in the contact centre database will be subject to the Data Protection Act, and therefore the CRM data structure will be developed after liaison with councils' Data Protection officers.

1.1.5 Security

Security will be a prime consideration in the architecture of the chosen solution in order to protect citizens' information and discharge the councils' duties under the Data Protection Act. This will involve:

- Consideration of appropriate authentication methods for contact centre users.
- Appropriate encryption techniques for data transferred over public networks if this becomes necessary.
- Implementing appropriate network security to prevent unauthorised access by remote attackers (e.g. firewalls)

Consideration of how to protect citizen information at any web facing access points provided (e.g. use of https etc.)

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APPENDIX G TOWARDS A SHARED SERVICE CONTACT CENTRE PROPOSAL FOR DISTRICTS

Wide ranging discussions at the Partnership Steering Group meetings in December 2002 and January 2003 covered a number of issues which impact on the future progress of the project. It was agreed on 7 January 2003, that District Councils would seek to reach a decision on their participation or otherwise by 1 April 2003, and to assist in that decision, a proposition would be submitted to District Councils before the end of January 2003.

This paper outlines the basis of that proposition.

During 2002, we have:

- ⇒ Drafted a vision, business case and implementation plan for the project. The Partnership Steering Group in January 2003 acknowledged that, by and large, the details included in these documents remain valid;
- ⇒ Arranged service workshops to explore with staff the service delivery issues associated with the implementation of the contact centre, including frequently-asked questions, systems integration requirements, information needs;
- ⇒ Established a Partnership Steering Group, with representatives from all Councils, to sponsor and guide the project on behalf of all Councils;
- ⇒ Initiated a procurement exercise, which is now at the stage of shortlisting respondents to the pre-qualification questionnaire.
- ⇒ Agreed a procurement protocol to guide Councils through that process.

The procurement activities are at a particularly crucial stage, and it is therefore timely that Councils are asked to consider their ongoing participation in the process. It is intended to progress the procurement activities as described in the protocol, though this proposition supercedes the protocol in terms of commitments.

1.2 3. What are we buying? The proposition in terms of service delivery

This section of the report aims to clarify what the project will deliver, and what it will not deliver. It is not possible to cover the breadth of the detail included in the project. All Councils have had the opportunity to comment on and influence both the Information Memorandum, which was issued to potential suppliers and the draft Invitation to Negotiate. Both of these documents are available on the Partnership website, and in particular, annex one of the Invitation to Negotiate gives the background and the detail required.

In summary, the original proposition focussed on the following aims:

- Increased convenience for the customer through streamlined telephone numbers for each council;
- Easier access to a wider range of council information and services;
- Extending access to council services outside traditional working hours;
- Increasing the number of access channels using the same technological platform (telephone, internet, face to face in one stop shops, etc).
- Improved service delivery for the customer through:
 - a significant proportion of contacts being satisfactorily resolved at the first enquiry;
 - improved standards of service monitored by a specific set of performance targets and management;
 - better use of technology resulting in more efficient working practices, and thereby delivering a faster, more responsive service;
 - a more seamless and citizen-centred service being provided by through the contact centre.

The Councils have agreed a model for delivering these aims, based on a virtual infrastructure model, as described in the original business case. This was on the grounds that it offers best

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use of resources, through shared infrastructure, including Customer Relationship Management (CRM) application; and it supports the delivery of joined up services across authorities; and retains each authority's identity and branding (as referenced in the national e-government strategy).

The scope of the project to be delivered through the contact centre is to integrate service delivery through the following delivery channels:

- Telephone, using shared infrastructure to support the 'virtual' model
- Web access, including kiosks
- Community portals (developed in partnership with authorities and other services, through the Lancashire E-government Network)
- Mail – post/fax will be incorporated through a document management system
- Face-to-face through one-stop shops

1.3

An initial list of services has been agreed, based on the original study. This will constitute the initial core, and plans are being developed to ensure that a wider range of services are included as soon as practical for participating authorities. The original tranche of services are:

- *Social Services* – General Advice, Adult Referrals, Child Referrals
- *Consumer Protection Enquiries* – Commercial Protection, General Consumer
- *Highways Enquiries* – Carriageway Defects, Drainage & Sewerage, Footway Defects, Highway Works, Winter Maintenance, Street Lighting
- *Education* – Admissions, Meals, Transport, Childcare Provision, Libraries
- *Council Tax* – Enquiries, Amendments, Arrears
- *NNDR* – Enquiries, Amendments, Arrears
- *Benefits* – New Applicants, Progress Checks
- *Other* – Refuse Collection, Street Cleansing, Noise Pollution, Pest Control, Public Health Complaints, Health & Safety, Building Control regulations

Initially it was assumed that limited integration would be required in order to deliver change to the front office. Following the service workshops in November/December 2002, this has been revised.

Work has commenced to address the specific requirements of these services, and reports have been shared with Councils on this. The initial expectations have been fed into the procurement specification, and will be subject to further discussions with the supplier/partner, when appointed. These discussions will also provide the opportunity for refining an implementation plan, based on the pace of implementations which each Council requires.

1.4 4. The business case

For the purposes of this paper, it is not intended to revisit in detail the original business case, which was issued in June 2002. That business case was based on an explicit set of assumptions, which themselves were informed by information collected from District Councils. The business case has already been widely circulated, and is available on the Partnership website.

Essentially, the assumptions are based on minimal infrastructure requirements, prudent assumptions re. external funding, worst case scenarios re. ICT assumptions, and an expectation that all initial capital investment into the venture is delivered in year one, while the ongoing support costs run over the six year period. As a result of the

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work undertaken during 2002, a number of key assumptions have been revised. These are listed in table 1.

1.4.1.1.1.1 Initial assumption	Current assumption, if changed
The business case was built around ICT procurement not managed service	Now based on managed services rather than simple procurement of technology
The contact centre would be managed by an independent Joint Venture Company	Now to be managed through a Joint Committee structure
200 seats would be required by operatives across all Councils	Unchanged
Minimal integration with back office systems	The service workshops demonstrated the need to review this, and integration is now included in the requirements. The precise details are yet to be determined, but the costing assumptions need to be amended to reflect this change
Zero external funding	Unchanged, but see note below
Estimated contact volumes 3.5million pa	Estimated contact volumes now in range of 3.5 to 4million, in the light of more information received from District Councils
Project life of 6 years	Project life now not less than 7 years

Table 1 Business case assumptions

A high level analysis of costs during the life of the project is provided below.

Cost Item	£
Server Technology	1,020,000
Technology running costs	1,293,575
Licenses and support	1,072,596
Firewall / switches	215,340
Line Leasing	1,272,190
Phone switches	645,000
Cabling and connectivity	1,163,000
Agent licensing	140,000
PC's	226,000
Implementation & testing	430,000
Consultancy, legal & training	250,000
Managed service premium	1,159,230
TOTAL	8,886,931

Table 2: Breakdown of costs

These assumptions have been reviewed and considered in comparison with other similar projects being undertaken elsewhere. It is clear that the initial set up costs, rather than the ongoing running costs, will absorb the bulk of the additional costs generated as a result particularly of the managed service approach, and the changed requirements in regard to systems integration. A summary of that analysis is provided below, and demonstrates that, as far as possible at this early stage of procurement, the calculations are robust.

Cost scenario	1.4.2 Year 1 cost	1.4.3 Ongoing revenue cost
Original business case	£3.3 million	£876k pa

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Original business case uplifted in line with revised assumptions	£3.7 million	£850k pa
Comparable project elsewhere	£4.1 million	£916k pa
Soft market testing examples	£3.1 million	£700k pa

Table 3: Revised costings in business case based on changed assumptions, and comparison with other projects

Initially, it was assumed that approximately half of capital and recurring costs will be met by the County Council; the remaining costs to be shared between the District Councils on the basis outlined later in this document. From the original business case, based on the original cost sharing assumptions, the Year 1 cost per district council would have been £138000. Based on the uplifted business case, the Year 1 cost per District Council would be £154,000. Ongoing costs for each district council would be in the region of £36000. The proposition which follows now supercedes this assumption.

The original business case showed the process savings as having been generated from two elements – the more efficient use of staff (as contact centre technology will improve processes which may result in opportunities to reassign resources to more pressurised areas becoming apparent) and savings from different use of access channels resulting in reduced staff time requirement to deliver services. It is recognised though, that this is dependent on the re-engineering being undertaken in Councils. Whilst the business case makes some assumptions about financing BPR and implementation support, it was assumed that the internal change work would be undertaken by the Councils themselves, on the basis of their respective requirements.

The business case similarly makes no assumptions about the use of external funds to assist with the project. Three possibilities are suggested:

- The County Council has been discussing with District Councils a specific PSA target linked to the contact centre, which would bring pump-priming monies of £200,000, and a subsequent grant at the end of the PSA subject to targets being met;
- Currently, the Lancashire E-government Network is considering funding a county-wide portal, which clearly has some overlap with this project.
- A bid for additional ODPM partnership funds, upto £2million, has also been submitted, and early feedback from the ODPM has been supportive.

However, these are not taken into account in the business case or in the proposition which follows.

5. Structuring the proposition

Following the high level revision of the business case, the costs are now summarised as:

Costs
First year £3.7 million
Yearly maintenance £850000

Table 4: Summary of costs

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In structuring the specific proposal, the County Council is mindful that District Councils require some certainty around pricing structures. A number of considerations need to be borne in mind when considering this proposition:

1. The business case has not, and could not, make precise calculations as to the establishment of one-stop shops, as this is dependent on information from District Councils and further discussions across all Councils. An assumption has been made that the procurement includes a number of one-stop shops;
2. The business case and the procurement exercise assume that each Council's base for its part of the network, from which it will run its contact centre, is a single site, unless expressly stated that more than one site is to be involved, as additional costs would be incurred by the Council;
3. All Councils, and the supplier, now require some clarity as to commitment, and as far as possible, a minimal amount of uncertainty or volatility. It is therefore proposed that:
 - a. No new joiners can be allowed for a 3 year period after the network of contact centres has gone live;
 - b. District Councils wishing to participate should be asked to contribute a 'joining fee'. This will be non-refundable. District Councils can then determine the pace of implementation which is appropriate for them. Operational costs will not be incurred until after the District Council has 'gone live'. So, if a District Council wishes to participate, but not complete implementation/go live until March 2005, the Council should pay the 'joining fee' but will not be expected to contribute to the operational/running costs until after March 2005.
4. If the total Year 1 costs changes by more than 5%, the fixed rate for participating District Councils may need to be reconsidered.
5. The proposals for managing the operational arrangements will be determined by an implementation/management protocol, as agreed by the Partnership Steering Group. This will be overseen by the Joint Committee, on which all participating Councils will have representation. Whilst the single contract will be between the County Council and the supplier, the management protocol will be supported by SLAs between the Councils, and the overall responsibility and accountability, in regard to the management and monitoring of the contract will be vested in the Joint Committee.

The proposition shown below is based on a specific cost for District Councils. Other options for sharing the costs were considered, and these are included in Annex 2.

1.5 6. The proposition for Year 1 costs for District Councils

Subject to a minimum of 6 District Councils participating, it is proposed that:

- Each District is asked to contribute a non-refundable 'joining fee'. The 'joining fee' is £95,000 upto 14 March 2003. Between 15 March and 31 March 2003, the fee is £100,000. Councils are asked to indicate whether they wish to participate by 31 March 2003.
- District Councils who wish to contribute more, in order to assist in the management of future years' revenue costs, can do so.
- District Councils will be able to determine the pace of implementation appropriate to them. Operational costs will not be incurred until after the District Council has 'gone live'. So, if a District Council wishes to participate, but not complete implementation/go live until March 2005, the Council should pay the 'joining fee' but will not be expected to contribute to the operational/running costs until after March 2005.

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- No new joiners will be allowed for a 3 year period after the network of contact centres has gone live, to ensure stability;
- Further discussion will be held concerning:
 - The £200,000 pump-priming funds attached to the PSA target. Some of these funds may need to be used to set a baseline against which the PSA target will then be measured. Discussions are continuing with the ODPM. It is intended, though, that as much as possible of this will be used as a contribution to the project for those District Councils which sign up to that target;
 - The Lancashire E-government Network's proposed portal development. The Network has set a budget of £400,000 for a shared portal. Whilst the actual design and specification has not yet been completed, it will be necessary to monitor the project to avoid duplication, and this should bring down the cost of the procurement of the infrastructure for the shared contact centre;
 - The possibility of attracting other funds, particularly EU funds, and ODPM Local Government Online Partnership funds (a bid for £2million Local Government Online partnership monies has been submitted. We have had informal positive feedback on this).
- Where external funding is obtained, the apportionment of the funds is on the same basis as the apportionment of the costs;
- The final costs will not be known until the contract negotiations reach conclusions. It is clear from potential suppliers that there is some flexibility in regard to structuring payment profiles, which will also need to be considered. If the total contract value changes by more than 5%, the participating Councils will review these arrangements.
- The proposals for funding and managing the operational arrangements will be determined by an implementation/management protocol, as agreed by the Partnership Steering Group. This will be overseen by the Joint Committee, on which all participating Councils will have representation. Whilst the single contract will be between the County Council and the supplier, the management protocol will be supported by SLAs between the Councils, and the overall responsibility and accountability, in regard to the management and monitoring of the contract will be vested in the Joint Committee.

1.6 7. Next steps

1.7

In determining their response, District Councils will wish to consider, among other things:

- a) The advantages of a shared partnership supporting service delivery, and respecting the autonomy of individual Councils;
- b) The financial proposition;
- c) Both (a) and (b) above compared with other options Councils are considering;
- d) The extent to which the project is aligned with strategic modernisation objectives;
- e) The views of other District Councils, to gauge the likely participation, and opportunities for sharing the costs across Councils to minimise investment;
- f) The benefits to be derived in the longer term from the joining up of services which this project allows;
- g) The likelihood of attracting additional partnership funds to reduce further the financial burden on Councils.