

**TAUNTON DEANE BOROUGH COUNCIL**

**EXECUTIVE – 23<sup>RD</sup> JULY, 2003**

**REPORT OF DIRECTOR OF CORPORATE RESOURCES**

**This matter is the responsibility of the Executive Councillor for Resources,  
Councillor T. Hall**

**SOMERSET DIRECT**

**1. PURPOSE OF THE REPORT**

- 1.1. The Executive needs to consider and decide whether to:
- Adopt the Somerset Direct model as its methodology for dealing with customer enquiries
  - Request Full Council to approve a supplementary estimate from General Fund Reserves to fund the costs of either £84,638 or £231,002, if Reception is remodelled.
  - Note the legal basis under which Somerset County Council will enter into contracts with suppliers on our behalf
  - Note the staffing arrangements and accommodation changes.

**2. SUMMARY**

- 2.1. Somerset Direct is a government-sponsored Invest To Save Budget project to improve the handling of enquiries by the public to all Somerset councils. ODPM is funding 75% of initial project costs but no on-going funds.
- 2.2. Each partner is asked to commit to the benefits, savings and costs of the project, to allow the County Council to sign contracts with suppliers on behalf of the partnership, so that we can proceed to live operations.

**3. BACKGROUND**

- 3.1. This project is supported by Invest to Save Budget funding from the Office of the deputy Prime Minister (ODPM). ISB provides 75% of funding and Somerset Councils provide 25%. Total project size is £3.8m. Individual Councils are responsible for sourcing on-going costs and realising savings.
- 3.2. The ODPM representative for e-government in the South West has recently made two visits to the Partnership and continues to restate their keen interest in the project and the benefits it will bring to the people of Somerset. ODPM expects each partner to reflect the project and the resulting meeting of e-government targets in its CPA assessments.
- 3.3. All five District Councils and the County Council committed to the ISB bid and have been working together to bring the benefits to fruition. The Partnership is now at the stage of appointing a key technology supplier. This

paper gives the Council the opportunity to review progress and the business case before contracts are signed.

#### **4. SERVICE AND EFFICIENCY IMPROVEMENTS**

- 4.1. This project is about improved access to services and increased customer satisfaction with the real potential for efficiency savings.
- 4.2. It addresses the 70% of contact we have by phone and through face to face enquiries from members of the public. We also expect to reduce the need for post or face to face visits resulting from public enquiries, where the answer to the initial query was not understood.
- 4.3. Local authority experience elsewhere shows that a significant proportion (upwards of 80%) of phone enquiries are capable of being addressed by selected and trained advisers using modern telephone and computer systems. The Council will thus satisfy over 50% of their overall enquiries with consistent, fast, effective and high quality responses. While call times are not specifically targeted, we can expect an effective, high quality response to take on average 20-30% less time than traditional responses.
- 4.4. Our valuable professional/technical back office staff will be freed to concentrate on those enquiries that require their skill, experience and judgment. Both of these benefits will directly and significantly improve public satisfaction with local services in Somerset.
- 4.5. In addition, experience elsewhere has shown that elected members are less involved in routine enquiries.
- 4.6. We will focus first on dedicated customer service staff, but the technology will allow us to utilise single home-based advisers, council information points, tourist information centres, small offices or even dedicated groups of staff in central offices. It provides unified phone call handling in Somerset to the public, whilst ensuring each Council its local distinctiveness.
- 4.7. The council will be able to introduce flexible working for some staff, including less able and rural outworkers, should it wish. This flexibility will help enable extended hours services for the public to be cost-effectively provided, by call sharing and shared rosters amongst the partner authorities.
- 4.8. Each partner will be able to significantly improve their achievement of e-government targets through Somerset Direct.

#### **5. FINANCIAL IMPACT**

**Appendix B gives details of the finances of the project.**

- 5.1. Somerset Direct is principally aimed at significantly improving public service response, particularly by phone and then consequently improving back office performance and reducing office visits and vehicle journeys. This will make the authorities in Somerset even more public facing and service-oriented. Our savings are essentially “Invest to Gain” in nature and we will re-invest these savings to drive forward our public phone call 1st time response fulfilment and to make real and measured improvements in public satisfaction with local authority services in Somerset.

- 5.2. Back office staff will be freed to concentrate on the 30% of calls that require a professional/technical response or judgement. We conservatively believe that there will be significant efficiency gains in the back office.
- 5.3. The Supplementary Estimate required for a remodelled Reception and for Somerset Direct is £231,002. If Somerset Direct is implemented without a remodelled Reception, the Supplementary Estimate required will be £84,638. These costs will be spread over the financial years 2003/04 and 2004/05.

## **6. LEGAL IMPACT**

- 6.1. This Agreement between the partners indemnifies Somerset County Council as the Lead Authority and each other as partners in connection with the financial and contractual arrangements.
- 6.2. We are close to finalising the Agreement - there are now no significant issues that need to be resolved before each partner signs.
- 6.3. It contains a five year commitment from each partner to meet the project setup and ongoing costs. If any partner withdraws it needs to give 12 months notice and is responsible for any resulting cost shortfall.

## **7. PERSONNEL IMPACT**

- 7.1. Somerset Direct is mainly about improving customer service. It aims to better equip staff who deal with both face to face and telephone enquiries.
- 7.2. In Taunton Deane our recommendation is to establish a new Customer services team. There is a great deal of project management and development work to be done in order to ensure that all services are brought into Somerset Direct over the next twelve to twenty months. David Gary will therefore, continue as the Project and Implementation Manager. Operational Management will be carried out by a Customer Services Manager. This post will be filled from within the existing staff establishment. The customer service advisors will also come from within the establishment.
- 7.3. It is our intention to use a phased approach, over a period of twelve months from April 2004, bringing all services provided by the council into this system of dealing with public enquiries. However, because it is also our intention to subsume our switchboard number of 356356 into the system, effectively all services will have a some level of integration from day one.

## **8. ACCOMMODATION**

- 8.1. There is a need for all of the customer services team to be in one place, related to the face to face facilities in the reception area. Given this need, the opportunity presents itself to revamp the area and present a modern, customer friendly area with proper sound management and a 'meeter and greeter' providing both security and greeting to members of the public as soon as they enter the area. Such an individual provides a major impact on people entering the building because they no longer feel anonymous and unacknowledged. It is intended that apart from a cashier position, we will consult with staff on how the area can be made more customer friendly, possibly by the removal of glass barriers. This has been shown to reduce the level of intimidation felt by

some members of the public and diffuse anger. However, private rooms will still be available as now.

## **9. RISK IMPACT**

- 9.1. Part of managing the project is to identify and analyse risks and to instigate preventative actions. We regularly review the Somerset Direct Risk Register.

## **10. TIMETABLE**

- 10.1. The technology for Somerset Direct is planned to go live on 1 April 2004 with the ability to handle all types of enquiry to a specified service level. Advisers will be able to fulfil some enquiries in depth, whereas others will be passed to the back office. Between April 2004 and December 2005 we will progressively perform towards our target of fulfilling 80% of calls within the customer services area.

## **11. RECOMMENDATION**

- 11.1 Members are requested to:-

- ask Full Council to agree a Supplementary Estimate for £231,002.
- sign up to the project.

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## **Appendix A – Specific service and efficiency improvements**

1. Fast, consistent, effective and high quality responses to phone and face to face enquiries, with 70% being answered first time.
2. Phone enquiries requiring professional advice from a specialist officer will be consistently and quickly re-directed to the appropriate back office. We estimate that interception of general calls should eventually free up approximately 5 staff.
3. Faster turnaround from back offices to written and phone enquiries, due to less time being taken with general enquiries.
4. More staff directed to front-line services, in particular for face-to-face services for those least able to use the new forms of communication, who are often heavily dependant upon us for key services like benefits, housing and social services.
5. Ability to extend opening hours for phone calls throughout Somerset, thereby increasing public access at times convenient to them. This project provides the technology for an efficient 8am to 8pm Monday to Friday service, with 10am to 4pm on Saturdays if required.
6. Better service responses and higher first time call fulfilment to phone calls, by connecting advisers to key back office transactional systems.
7. Advisers will be selected members of staff, who show an aptitude for public call handling and are strongly motivated to fulfil first line public calls.
8. The public will be able to self-help or have assisted access at one-stop shops, tourist information centres, council information points and libraries, re-using the scripts from Somerset Direct.
9. Self-help access via the Internet and digital TV will give access to the same scripts, which will be re-purposed to these electronic delivery channels.
10. The public will benefit from better management of call handling, due to the new call logging, analysis and reporting systems, which will provide key management information on performance and demand.
11. In emergency or exceptional circumstances (eg flooding, foot and mouth, road closures, major safety incidents) the public will benefit from fast, authoritative and consistent, phone-based information via Somerset Direct.
12. For the benefit of the Somerset public, the potential is there to extend Somerset Direct to the voluntary sector (like the Citizens Advice Bureau), to help them in their community-based work and to allow the partner authorities to work with the voluntary sector in an integrated service response.

## Appendix B – Project Costs

The costs of this project have now been analysed and are shown in summary form below.

### SET-UP COSTS

	<b>Total spread over 2003/04 &amp; 2004/05</b>
Central*	97,000
Local – Basic Project only	195,527
Local – Reception Costs (optional)	<u>119,000</u>
<b>Total Set-up Costs</b>	<b>314,527</b>
Funding from Invest to Save Bid	(200,000)
<b>Gap</b>	<b>114,527</b>

*\*The central set-up costs allocated to this Council from the central project amount to £97,000 and cover our share of project costs such as Voice Systems, Technology Development and Data Network costs. The £97,000 will be funded from our IEG monies – as approved by Members in earlier budget rounds.*

The local set-up costs have been shown in two categories; the basic project costs and the extra cost to remodel Reception. The total one-off costs that this Council will be required to fund in order to deliver the project amount to £114,527 if Members wish to take this opportunity to remodel Reception.

### ONGOING COSTS

	<b>2003/04</b>	<b>2004/05</b>
Central	0	30,000
Local – Basic Project	17,810	31,619
Local – Reception Costs (optional)	9,682	27,364
<b>Total Ongoing Costs</b>	<b>27,492</b>	<b>88,983</b>

The central ongoing costs allocated to this Council from the central project ultimately amount to £30,000 per annum and cover our share of project costs such as Software Maintenance, Communication Link Maintenance and Publicity Costs.

The local set-up costs have again been shown in two categories. The ongoing costs that this Council will be required to fund in order to deliver the basic project requirements amount to £31,619. Should Members decide to remodel the Reception area, an additional post to “meet and greet” our customers will be required. This, along with other Reception-related additional costs will amount to £27,364 per annum.

The efficiency improvements generated by the implementation of the Somerset Direct technology will provide opportunities for savings to be made in existing staffing structures. It is expected that by the end of year 2 (2004/05 financial year) that savings at least equivalent to the additional ongoing costs will be achieved through natural wastage.

## SUMMARY

Members are requested to consider the approval of supplementary estimates from General Fund Reserves in order to fund:-

Local Set up Costs including remodelled Reception	114,527
Central Ongoing Costs (2 years)	30,000
Local Ongoing Costs (2 years)	86,475
<b>Total Supplementary Estimate Required</b>	<b>231,002</b>

The Supplementary Estimate required for a remodelled Reception and for Somerset Direct is £231,002. If Somerset Direct is implemented without a remodelled Reception, the Supplementary Estimate required will be £84,638. These costs will be spread over the financial years 2003/04 and 2004/05.

Appendix C – Risk Register

Risk	How do we prevent it	Impact	Probability
Lack of financial resource	ODPM funds confirmed Partners to confirm financial commitment On-going financial commitment assessed and agreed	H	M
Partner's existing technology is inadequate	Each partner carries out own technical assessment	M	M
Lack of personnel resource	Partners identify resource requirement	H	M
Lack of acceptance by staff	Clearly defined communication strategy	H	M
Lack of leadership	Appointed project manager Officer steering group created Programme board appointed Partners regularly report to Chief Executives group Appointed project sponsor	M	M
Service to the customer does not improve	Clearly defined minimum service standards Customer service strategy	M	M
Lack of customer support	Consultation through selective focus groups Soft launch Set and measure performance measures	M	M
One or more partners fail to implement in line with minimum requirement	Set and agree minimum requirements	M	M
Project fails to deliver to ODPM satisfaction	Regular dialogue with ODPM	L	L
Contractor goes out of business	Financial assessments Exit strategy	L	L
One or more partners pull out	Involve ODPM Peer pressure All partners fully involved Legally enforce financial penalties	M	M
Fail to identify acceptable solution	Clear and realistic specification	M	L
Contractor fails to deliver against expectation	Customer site references Contractual penalties Business continuity plan	M	M
Changes to the project lead to a lack of clarity/ understanding of objectives	Changes are agreed at 'highest' level Change control process	M	M
Legal constraints prevent full implementation	Appoint/agree legal advisor	M	M
Failure to agree final partnership legal document	Draft circulated for consideration Deadline for agreement	M	M
Lose political support	Briefing pack for new members Regular briefing by partners to politicians Site visits for members	M	M

Appendix D – Timetable

Activity	Timetable
Setup project board	Complete
Appoint/recruit Somerset Direct Programme Manager	Complete
Undertake a data & voice network capacity analysis	Complete
Specify call management & CRM systems, staff selection & training package	Complete
Select supplier, call management & CRM systems	Complete
To have CMT approval for the political report	Early July 2003
To have full Council approval	6 <sup>th</sup> August 2003
Appoint prime supplier	August 2003
Plan services to be live for Stage 1 (April 2004), Stage 2 (June 2004), Stage 3 (September 2004)	By September 2003
Recruit 2 temporary staff to work with sections on process mapping and setting up scripts	By September 2003
Recruit Customer Services Manager	By end of October 2003
Negotiate with staff & union representatives over VCP impact, staff selection and training	In progress, by October 2003
Survey & base line public satisfaction rating for our phone call handling	By November 2003
Negotiate agreements between Somerset Direct partners on call overflow, mutual and/or service-based call agreements & cross-charges	By November 2003
Negotiate & specify new user friendly and themed-by-service phone numbers	By November 2003
Map the Stage 1 business processes	In progress, by December 2003
Collect CRM scripts and knowledge for Stage 1 services	By December 2003
Implement improved business processes for Stage 1 services	From January 2004
Implement ICT/telecomm infrastructure to support project	By December 2003
Implement call management & CRM script systems	By January 2004
Select and train pilot Stage 1 Advisers	By January 2004
Develop links to selected back office systems for Stage 1 services	By February 2004
Pilot with Somerset Influence members the new phone call handling systems & methodology	By February 2004
Review pilot trials and adjust where necessary	By March 2004
Publish and promote new themed-by-service contact numbers	By April 2004
Launch Stage 1 Somerset Direct services across all partners	1 April 2004
Review project & dissemination	April 2004 onwards
Select and train later Stages Advisers	By June 2004
Launch Stage 2 Somerset Direct services across all partners	1 June 2004
Launch Stage 3 Somerset Direct services across all partners	September 2004
Launch extended hours services as required	Autumn 2004
Roll out face to face Somerset Direct in council information points, assisted centres and libraries	Winter 2004
Pilot studies on face to face Somerset Direct for mobile officers, voluntary sector	Winter 2004