

MTRP – 18/19 and Beyond - Business Case

Service Area	Streetscene and City Services
Unique Reference Number	WS181904
Proposal Title	Reducing telephone and face to face services within Customer Services
Version	20/12/2017
Proposal Summary Description	To reduce front line Customer Service resource by 0.88 fte this will equate to a £21.3k savings in 2018/19. The reduction will be made from a channel shift from telephone and face to face to online services only.
Impact on Performance	<p>Customer Services consists of 21, covering 3 services and based across 2 locations. These teams are front line and deal directly with the public either over the telephone or face to face. Therefore, any reduction in staffing levels will have an impact on call handling and customer wait times.</p> <p>Customer service officers are multi-skilled and work across all service areas. A reduction in .88fte will mean there is less flexibility to manage peaks in demand. As a result services may be negatively impacted, particularly when managing leave and sickness.</p> <p>Newport 2020 sets out the council's aspirations to support 80% of all customer requests and transactions through self-service channels by the year 2020. In line with this the proposal is to move some requests and transactions to self-service channels only. As a result these services will no longer be supported by telephone or face to face.</p>
Impact on FTE Count	A reduction of 0.88 fte
Impact on other Service Areas	A reduction in .88 fte and move to online services could see an increase in complaints due to a reduction in services and result in longer customer wait times.
Impact on Citizens	A reduction in .88 fte and a move to online services will mean that some citizens will no longer be able to access some service transactions in the same way. However, they will still be able to access these services online.
Delegated Decision (Head of Service/Cabinet Member/ Cabinet)	Cabinet
Activity Code	STR26 Customer Services

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Net Savings (£000's)	2018/19	2019/20	2020/21	2021/22
	5	16		

Implementation Costs (- £000's)	2018/19	2019/20	2020/21	2021/22
Revenue – Redundancy/Pension				
Revenue – External consultants				
Revenue - Other				
Capital – Building related				
Capital - Other				
Implementation Cost - Total				

Current Position

As a result of promoting on-line services the uptake of self-service transactions since 2015 is 56% of the total transactions received through all channels.

This uptake of self service is steadily increasing and as a result there has been a decrease in the volume of calls received. 2016/17 was the first year that saw a reduction in face to face services since 2012.

Customer services consists of 21 staff, covering 3 services and based across 2 locations. Each fte equivalent customer service officer deals with approximately 20,000 telephone calls per annum, which can result in higher waiting times. A reduction in .88fte will mean there is less flexibility to manage peaks in demand. As a result services may be negatively impacted, particularly when managing leave and sickness.

Key Objectives and Scope

To reduce front line customer service resource by 0.88 fte will equate to a £21.3k savings in 2018/19. The reduction will be made from a channel shift from telephone and face to face to online/self-service only. This will include touchtone and Netcall options.

This will mean customer services will no longer provide some of the same telephone and face to face services that they currently do.

In order to maximise savings, with minimum changes to services, we have only considered requests that account for the highest volume of enquiries received. These are outlined in the table below:

Transaction		Current Split	Annual Volumes	FTE
Requests for new recycling bags – customers can already request these via self-service on the council website.	Self-Service	37%	3378	n/a
	Mediated	60%	1,395	0.06
Reporting fly tipping – customers can use the council website.	Self-Service	44%	1,432	n/a

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	Mediated	56%	1,841	0.08	
Special collections – customers can use the council website but customers are not able to book a date. Confirmation of collection date is issued by email within 2 working days.	Self-Service	38%	3,610	n/a	
	Mediated	62%	5,789	0.56	

The table below shows the calculations used;

Switching off phone channels	Volume phone transactions per annum*	Average call duration	Hours on phone saved per week#	FTE saved (people x hours closed per week)	Annual Saving £(FTE saved x salary)	Option 2 (recommended)
New recycling bags	1395	06:30	0.4	0.32	7,772	7,772
Reporting fly tipping	1841	06:30	3.5	0.19	4,614	0
Special collections	5789	06:30	12	0.56	13,601	13,601
*based on sample of 2016/2017 volumes # shrinkage not included in calculation					Total	£21,373

Options considered	
Option 1	Status quo: This does not create any savings and does not meet the objectives of supporting 80% of all customer requests and transactions through self-service channels by 2020 in line with Newport 2020.
Option 2	<p>Switch off a combination of mediated channels for some of the transactions listed above. This would deliver a saving of between £4.6k and £21.3k in the first full year of savings, depending on which channels are switched off.</p> <p>It is likely that the city contact centre and information station will continue to receive some telephone and face to face enquiries about these transactions, especially in the following 6 months. During that period it is likely call wait times and complaints will increase until the changes become more widely known and accepted.</p> <p>It has been recognised that not all citizens will be able to access services through self service and on line due to vulnerability, location and lack of IT skills and resources. As a result these individuals may still continue to access these services face to face. Where possible we will encourage citizens to work with local libraries, the information station and city contact centre to access on line and self-service channels.</p>
Option 3	Switch off mediated channels for all of the transactions listed above which would deliver the full saving of £21.3k in the first year. As noted in Option 2 It is likely the city contact centre and information station will continue to receive some telephone and face to face enquiries about these transactions, especially in the following 6 months. During that period it is likely call wait times and complaints will increase until the changes become more widely known and accepted.

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Recommended Proposal/Option

Option 2 – Switch off mediated channels for the transactions listed in the table above. In particular switching off the mediated channels for requests for recycling bags and special collections would reduce the fte by .88 achieving a saving of £21.3k.

Whilst further savings could be made by switching off mediated channels for fly tipping, it should be noted the council has a legislative responsibility to respond to fly tipping requests. Offering fly tipping through the council website alone would impact on the council's ability to meet its legislative responsibility.

Required Investment

Options for improvements to self-service channels are being considered and developed through the council's digital board. It is anticipated that there may be some minimum investment to enhance online platforms but the amount has yet to be confirmed. Areas for development and consideration include the following:

- Improving the customer experience for self-service options will support and encourage citizens to move away from face to face and telephone transactions. Such as:
 - A single online account for customers to complete transactions.
 - Ability for customers to book appointments online so there is no delay in confirming slots for special collections.

It is unlikely that any redundancy costs would be incurred as the reduction in fte would likely be managed through natural attrition, as per previous savings made. Any reduction in fte or changes to T&C's will be managed through the staff consultation process in line with HR policies and procedures.

High Level Milestones and Timescales

- | | |
|--|-------------------------|
| - Council approval | March 2018 |
| - Staff consultation | May – June 2018 |
| - Development of automated phone service (if required) | August – September 2018 |
| - Reduction in fte resource | October - November 2018 |

Key Risks/issues

- Customers may try to bypass the automated phone option to speak directly with a member of staff. Reducing the fte resource gradually may go some way in migrating the resource that this will require, as this is more likely to be prevalent in the months following the change.
- The proposal is likely to cause an increase in complaints during the initial months as citizens get used to the new online services. Again a gradual reduction in fte may help to mitigate this initially.
- There is the potential for this proposal to impact negatively on the council's reputation as citizens transition to online and self-service transactions, as not all citizens will embrace this change.
- Customer services consist of 21 staff, covering 3 services and based across 2 locations. Each fte equivalent customer service officer deals with approximately 20,000 telephone calls per annum which can result in higher waiting times. A reduction in .88fte will mean there is less flexibility to manage peaks in demand. As a result services may be negatively impacted, particularly when managing leave and sickness.
- If an automated phone service is not offered as an alternative to online and self-service options, those who are digitally excluded due to location, skills or resources may no longer be able to access services. Further to this the council will continue to promote training sessions in local communities to enable citizens to develop their

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digital skills to access online services.

Risk	Probability	Impact	Total score
Little/No reduction in calls/footfall and increased bottlenecks/ wait times as a result of change	5	5	25
Increase in complaints	5	3	15
Impact on NCC reputation	2	2	4
Impact on ability to manage demand across all customer services channels effectively with reduced resource	5	5	25
Impact on service areas	4	3	12
Impact on services for vulnerable customers	5	5	25
Little reduction in calls/footfall as a result of change	4	2	8

Mitigation actions:

- Increased wait times; amend Service Level Agreements and Key Performance Indicators to reflect reduced ability to respond to customer demand. Continue to promote self-service options as an alternative to face to face /telephone contact.
- Increase in complaints; the proposals will be widely promoted to all citizens once they are approved. This will ensure that the proposed changes are communicated with affected individuals should they wish to engage with staff. A service response will be developed in conjunction with a fact sheet/Q&A, which will be made available to all affected citizens.
- Council's reputation: the council will develop a communication strategy in line with its MTRP budget setting process. All proposed changes will be communicated through consultation period. It is possible that some negative publicity may be received initially but it is anticipated that this will subside once the changes have been implemented.
- Impact on ability to manage demand across all customer services channels effectively with reduced resource; spreading 21fte to cover all the services offered by customer services is already a challenge and there is no simple mitigating action that could be deployed to reduce this.
- Impact on services for vulnerable customers: The council will continue to promote digital support sessions on a daily basis across the city for those who are digitally excluded due to location, skills or resources. This will enable citizens to gain more confidence in their digital skills. An automated phone service may be offered as an alternative to online and self-service options.
- The council will commit to making user friendly improvements to the online service before the changes are implemented, which should make the service easier to use.

Specific linkage with Future Generation Act requirements

Integration

This proposal supports the council's integration objectives to carry out 80% of all transactions by self-service by 2020. The Customer Services Strategy will be reviewed by April 2018 and will include specific links to the Future Generation Act requirements.

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Long Term

This proposal is in line with the council's strategic objectives. In particular moving away from face to face and telephone transactions meet the council's objective to achieve 80% of all transactions through self-service by 2020.

Prevention

This proposal takes steps towards reducing reliance on mediated channels for basic transactions. This initial step towards switching off channels will be developed further in coming years. This will create better opportunities to focus limited resources on complex and challenging enquiries which benefit from mediated interactions.

Collaboration

In order to create 'Digital by Design' services which are intuitive, easy to access, readily available and designed around the customer will require working in collaboration with Streetscene and IT to understand and refine the end to end process to enhance customer experiences.

Involvement

Customer Services have been working with Streetscene, Finance and IT for some time to understand customer drivers, and design better end to end processes supported by digital channels. Further work will be undertaken with the Senior Leadership Team and Cabinet Member for Community Services, Work and Skills to review and refine the customer service offering and deliver a refreshed customer services strategy. As part of this process consultation has taken place with citizens to understand drivers for contact with council departments. (Please see attached).



Involve Npt Panel
Results (Spring 2016)

Fairness and Equality Impact Assessment Initial