

Subject:	Customer Service Centre Performance
Reason for briefing note:	To detail the urgent corrective actions being undertaken to improve performance
Responsible officer(s):	Andy Jeffs, Interim Executive Director. Jacqui Hurd, Head of Library and Resident Services
Senior leader sponsor:	Cllr S Rayner, Lead Member for Culture and Communities (including Customer and Business Services)
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SUMMARY

The call centre is operating below the accepted target. The target is 80% of all calls received being answered within one minute. On an annual basis there are circa 250,000 calls, requiring an answer rate of 200,000 to be answered within one minute to meet the target.

At the end of 2016-17 the percentage of calls answered within one minute was 62%. In April performance had deteriorated to 60% of calls answered within one minute. This briefing paper summarises the five areas of focus for corrective action to improve performance:

- **Service redesign** – from 1 July 2017 there will be a dedicated telephony, digital team and service administration will be undertaken.
- **Staff** - additional temporary/agency staff appointed to answer calls and release existing staff from services areas across the council to support the training, for instance licensing staff to train the contact centre staff.
- **Telephone system** - analyse of organisations need following the change in council operating model, with costed proposal for the IT hardware to host the contact centre technology and the telephone system.
- **Digital change** – the integration between the residents digital channel, Jadu and line of business IT systems such as Uniform and Confirm are being developed and implemented.
- **Options appraisal for the future delivery model** – for instance purchasing the contact centre function from a third party.

Members are asked to consider the corrective action see table 2, and approve an investment of £58,000 from the development fund to cover one of costs in 2017-18.

The outcomes of the corrective action will be reported to Cabinet in August 2017.

1 BACKGROUND

1.1 The current performance of the call centre is significantly below the standard level set, 62% versus a target of 80%. The reasons for underperformance are grouped under five themes:

- Service redesign
- Staff
- Telephone system
- Digital change
- Options appraisal for the future delivery model

Service redesign

- 1.2 Throughout 2016 a review was undertaken to explore a new model for delivering front line service to residents. The review outcome was discussed at Cabinet in November 2016, and a decision was taken to merge Customer Services and Culture, Libraries and Registration into a single service called Library and Resident Services. Overall responsibility for the redesigned service, Library and Resident Services has been consolidated under Cllr S Rayner, as opposed to a split responsibility between two members.
- 1.3 In implementing the new delivery model permanent vacant posts were not appointed to in order to minimise risk of redundancies. Consequently 55% of staff in the contact centre are temporary or agency staff, see points 1.4 to 1.11.

Staff

- 1.4 There are four areas related areas: reduction in staff related to savings; use of temporary staff; knowledge of staff answering calls and staff turnover.
- 1.5 In 2014-15 there were 31fte customer service staff, of which six are always allocated to work at either York House or the Town Hall directly responding to resident's queries – face to face. Over a three year period, 2014-2017 there has been a reduction in the base budget:
 - 2014-15 £67,000 – around 3fte, three advisers
 - 2015-16 £107,000 – this was the targeted saving but was not actioned
 - 2016-17 £84,000 - around 4fte, four advisers
- 1.6 The reduction in staff has been at contact centre advisor and supervisor level. The reduction in the latter has meant there are fewer supervisors on the floor during the opening hours to monitor the effectiveness and efficiency of the workforce.
- 1.7 The savings were agreed because in 2012-13 there was a fundamental service review that concluded that with better online technology residents could self service, meaning less calls would be received requiring less staff would be required. The implication of the savings has been a reduction in front line contact centre staff, without a corresponding reduction in phone calls. One of the reasons the volume of activity through digital has not increased to the level expected is because the technology is not yet available to residents.

Current digital offering:

Residents can report issues online. But some of their reports go into an email and contact centre staff have to rekey the issue into another IT system for action to be taken.

Residents can currently report and track their reports on waste, recycling and complaints.

By the end of June residents will be able to make the report and track their report, for two service areas: highways and streetcare.

By the end of July: residents will be able to make the report and track the report for environment services and licensing.

Consequently by October there should be a fundamental reduction in the number of calls. The September Cabinet report will provide data on change in how residents contact the council.

- 1.8 Training for contact centre staff is quite intensive. Each new permanent member of staff appointed to the contact centre undertakes up to four months of training to be proficient in the role. The staff member undertakes a two week intensive programme and then modular training, based on their knowledge, competency and business needs.
- 1.9 Temporary staff only have the two week intensive training. During this period 50% of the intake usually leave, mainly because they are not suitable for the role. Consequently lots of lost time in training that is not used.
- 1.10 Since April 2016 between 5-7pm library staff answer the calls from residents. Residents experience a different level of service, due to the knowledge level of the staff answering the phone and wait times can be longer because library staff are juggling the demands of the face to face queries of library users and telephone calls.
- 1.11 Staff turnover in the contact centre has been 12%, 22% and 36% over the last three years, compared to 15.29% across the council. Reasons for leaving are: promotion, higher salaries either in the council or in other companies. This year there is an additional reason - some staff decided that they do not want to work across seven days a week from 1 July 2017.

Telephone system

- 1.12 Telephony is the residents' preferred contact channel of choice currently, see table 1 for the number of calls received.

Table 1: Calls received vs answered 2014-15 to 2016-17

Period	Number of calls received	Number of calls answered	% of calls answered	% of calls received, column 2, answered within one minute
2014-15	254,062	228,469	89.93	64%
2015-16	237,620	217,290	91.44	69%
2016-17	251,377	203,969	81.14	62%

- 1.13 The telephony hardware is dated, inflexible and unable to respond to the council's changing needs. Replacing the system has been considered previously but the decision on whether to replace was delayed, due to cost and questions regarding number of licences that will be needed in seven years time – the duration of the contract. In 2014-15 soft marketing testing took place and the estimated cost for a replacement system varied between £442k - £1m. A decision was taken to not pursue the replacement of the phone system in April 2016 because of the changes taking place in the council.
- 1.14 This decision has meant the contact centre services continue to use inflexible software. For instance the current system does not inform residents on where they are in the queue and how long the average wait time is as well as placing information messages to help manage peak activity.
- 1.15 Currently there is no capital allocation for updating of the system.

Digital change

- 1.16 The implementation and development of the resident's digital channel is three years behind schedule. Whilst Jadu 'My Account' is now active with 10,000 residents signed up, the integrations that automate the transfer of data between IT systems are not yet live, thus the manual touchpoints to the line of business IT systems are still in place. However

progress has been made and residents can now report and track issues relating to waste, recycling and complaints and by end of June 2017 will be able to report and track their issues on: blue badges, schools appeals, school transport, waste, recycling, complaints, highways, streetcare, environment and licensing. These 10 areas are the high volume call areas.

2. PERFORMANCE

2.1 The customer service centre has measured performance through four indicators:

Indicator 1: Percentage of calls answered within a minute, the measure excluded abandoned calls. Performance at the end of 2016-17 was 76.9% against a target of 80% (OCS63)

Indicator 2: Percentage of calls abandoned 2016-17. Performance at the end of 2016-17 was 19% against the target of less than 5%. This includes all calls not answered regardless of the time waited.

Indicator 3: Percentage of calls answered after 5 mins. Performance at the end of 2016-17 was 10% against a target of less than 1%.

Indicator 4: Percentage of calls resolved right first time. Performance at the end of 2016-17 was 89.8% against a target of 83%.

2.2 Consequently the service met **one of the four targets**.

2.3 In addition to the targets measured additional information was analysed. The additional information confirms that:

- 81% of all calls received were answered.
- 19% of all calls were not answered.
 - Of the calls that were not answered 75% hung up within one minute and 58% hung up within 20 seconds.

2.4 On review it has been identified that the performance indicator is measuring calls answered in one minute against those answered and excluding abandoned calls. Consequently, abandoned calls have been 'excluded from the denominator of the indicator'. The Leader has intervened and explicitly stated the exclusion of the abandoned calls is unacceptable as it does not serve the residents.

2.5 The performance indicators for the service from April 2017 will be:

Indicator 1: 80% of all calls received answered within one minute.

Indicator 2: Less than 5% of total calls received abandoned, excluding the calls abandoned within the first five seconds only.

Indicator 3: Less than 1% of total calls received answered after 5 mins but before 15 minutes.

Indicator 4: 83% resolved right first time.

3 NEXT STEPS

3.1 Corrective action has been identified across the five areas, see table 2. The cost implication of the corrective action is circa £58,000.

Table 2: Corrective actions

No.	Activity	Benefit	By when	Cost
Service redesign				
1	<p>From 1 July 2017 there will be a dedicated telephony and digital team to focus only on phone calls and digital contact.</p> <p>Removing non call related administration tasks from the existing team. A non front facing team will deal with the administration across seven days a week.</p>	<p>Staff in the telephony and digital team will focus on customer phone contact as a priority, increasing their capacity to respond to resident calls quicker.</p>	1 July 2017	In budget
Staff				
2	<p>One additional person appointed until September 2017, adding to the 19fte staff levels, dedicated to answer Housing Benefit enquires.</p>	<p>Residents will get their calls answered and housing benefit claim assessed quicker</p>	Effective from 22 May 2017	£8,000
3	<p>Two additional members of staff allocated to answer phones between 5-7pm. This means there will be four staff available to answer phones.</p>	<p>Residents will get their calls answered quicker and queries resolved by fully trained and dedicated staff</p>	Effective from 22 May 2017	In budget
4	<p>Six additional agency staff in addition to 19fte recruited to answer telephone calls</p>	<p>Residents will get their calls answered quicker, and staff will be able to receive and deliver training without detrimental impact to residents.</p>	31 May 2017	£30,000
5	<p>A further four additional agency staff to be recruited to, to answer telephone calls</p>	<p>More staff will be available so that residents will get their calls answered quicker, and staff will be able to receive and deliver training without detrimental impact to residents.</p>	15 June 2017	£20,000
6	<p>Explore help from the line of business services to assist in delivering training to Library and Resident services staff.</p>	<p>This will reduce the number of Library and Resident service staff being involved at anyone time in delivering/receiving training, increasing the</p>	12 June 2017	In budget

No.	Activity	Benefit	By when	Cost
		number of staff available to answer the telephone.		
Additional cost required totals				£58,000
Telephone system				
7	To analyse and create a specification of the future telephony needs of the customer contact centre in terms of the IT hardware and software including where it will be hosted. These options will be presented to Cabinet in August 2017	Options, costs and benefits will be known on the current telephony systems in the market to then allow decisions to be made regarding a replacement telephony system ensuring that position in queue and average wait time can be advised.	Cabinet – August 2017	To be confirmed as part of the analyse work and will be detailed in the Cabinet paper
Digital change				
8	The IT integrations that allows the automatic transfer of data between the residents digital channel (Jadu) and the line of business IT systems, Uniform and Confirm will be implemented.	Residents will be able to report issues such as: potholes, fly tipping, traffic lights, graffiti, grass cutting and verge/hedge trimming online and track progress through their 'My Account'. Customer contact staff will no longer have to rekey issues that are reported on line from an email.	1 July 2017	In budget
Options appraisal				
9	To carry out an options appraisal on the future delivery model of the customer contact centre from 2018-19.	The options, costs and benefits will be known and presented to Cabinet for a future delivery model that may include delivery with or through a third party for a resilient modern, flexible and future proofed telephony and digital service.	Cabinet – August 2017	To be confirmed as part of the analyse work and will be detailed in the Cabinet paper