

Interim Report of the Panel's Scrutiny of the Customer First Services

Mission statement and objectives for exchequer and customer services

The Mission Statement and key objectives for Exchequer and Customer Services are as follows:-

- (a) "To deliver high quality services for the Council and its customers, working with partner organisations to increase access to services, maximise the collection of income, making accurate and timely payments to customers, suppliers and employees and providing up-to-date, correct information and advice to all the Council's customers."
- (b) "To provide a responsive cashing service at a competitive price, adaptable to changing needs."
- (c) "To provide responsive telephone services to customers at one point of contact."

1. Terms of reference for the review of Customer first services

The Scrutiny Panel's Terms of Reference for the above review were as follows:-

- (a) (i) "To determine whether the Customer First Service provides the image required by the Council in line with its policy.
(ii) To ascertain if the service delivers to customers the promises made."
- (b) Considerable documentation was considered on behalf of the Panel by the Scrutiny Support Team.
- (c) Members of the Panel undertook a particularly proactive approach to looking at the service by undertaking a survey of a number of Customer First Offices, visiting the staff in the 'meet and greet' centre and cashiers at the Council offices and in the Call Centre.
- (d) The Head of Exchequer and Customer Services met with Members of the Panel, both informally and before a full meeting of the Panel, accompanied by the Strategic Director of Corporate Services and on another occasion with the Cabinet Deputy responsible for this service, Councillor Wilkinson.

- (e) The Panel also received representations from Councillor Ann Holland and Noel Pine, representing the trades union viewpoint, specifically on behalf of Unison. Tim Rainey and Dave Hutchings, respectively, Head of Service and Development Manager, I.T. Services. The latter were called in as the Customer First Service will have a significant role in Tameside MBC development of the e-tameside strategy and the Public Service Agreement to reach five year Best Value targets in two years.

2. Summary

Customer First was a relatively new and important service provided by the Council. It was the interface between those requiring a service from the Council, i.e. our customers and the service providers, be they internal or external to the Council. The service had been innovative in the way it had developed the Intranet to provide a framework within which customers' questions could be answered by Customer First staff, either through personal visits or telephone calls.

Progressively, the amount of administration in terms of completing application forms and verifying benefit claims etc., had been streamlined and moved from the back office operations to the Customer First service.

Overall, the excellence of this development had been recognised by a number of prestigious awards, namely Beacon Status for Accessible Services and a commendation from Local Government Chronicle Customer Services Awards.

There were also ambitious plans to develop through the Internet, personal files for each household in the Borough, in order that individuals could directly access Council information held on their household, make requests and leave messages to suit their needs, thus developing the Council into a true 24-hour a day, 365-days a year organisation.

For personal callers, the jewel in the crown of this development was in the Council Offices, Ashton, where the whole ground floor had been redeveloped in line with Council policy.

The developments in other Council buildings were less advanced. There were also agreements to introduce Customer First services to Libraries and other Council buildings.

Customer First covers all aspects of communication between the Council and the community at large. In terms of the degree of development undertaken in changing the culture of the Council's relationship with its customers, the Call Centre was the least successful, e.g. 2000/2001 only 11% of queries were satisfactorily resolved at first contact. Indeed, to those Panel Members involved, progress was seen as disappointing.

3. Observations

Overall, Members found the Customer First Service in Ashton provided very much the image expected by the Council and throughout the service was delivering to customers the promises made and generally, members of the public were satisfied with the services provided by the Council at all Customer First offices.

Staff had already been given training, but with the speed of change and development, they felt they would like more training. They also believed that customers were satisfied with the service provided and were positive about the changes, seeing them as improvement.

A number of observations were made regarding the general environment, in that in the

Council offices, privacy could be a problem, particularly if sitting under the dome in the Council Offices at Ashton, as it amplifies sound. Consideration could be given to the inclusion of toilet facilities for use by visitors at outstations as part of the refurbishment programme.

- (d) At Ashton, since the change of the Customer services facility, the number of visitors had increased in the period May to February from 47,000 in 1999 to 57,000 in 2000. Of these visitors, approximately half were dealt with at the 'meet and greet' or fast track counter, with the others being seen by customer services officers. These figures raised a number of questions as to whether people making payments were indifferently queuing at the 'meet and greet' counter thus adding to numbers and why so many people appeared to make a personal visit for an operation which required no involvement of a customer services officer. Increasing numbers of visitors could be seen in different ways and it was felt a more important measure would be the number of visitors leaving the building having had their needs met and their reasons for visiting in person. More accurate data collection and analysis is critical to the further tailoring of this interface to customer needs.

- (e) Some personal visitors stated in interviews that they had come to the Council office because they had failed to achieve a successful outcome for their problem through the Call Centre. Further development of the Call Centre leading to a reduction in its fragmentation and the limited level of operation could be beneficial in reducing the number of personal visitors. An ad hoc assessment suggests answering requests through the Call Centre could be significantly cheaper than dealing with personal visitors. A critical eye must always be kept on the cost of Customer Services. Recently they have acquired substantial capital investment and significant adjustment to staffing budgets. An excellent policy has been introduced to cater for peaks in service provision, brought about at different times of the day and week, by bringing staff from the back office. In the case of Ashton, when this is required, it is noted through the use of a web cam system. It is important to accurately delineate between back office costs as it is to be anticipated that the more proactive the front office becomes, the lower the costs will be in the back office.

- (f) In visiting the Call Centre, it was again perceived that, unless the websites e.g. Refuse, were kept up-to-date, delays were caused. The Centre was currently staffed by two sections; one dealing with Environmental Services issues and the other with all other calls via the general telephone number for the Council offices.

- (g) It was intended that these two sections would be integrated. However, due to teething problems experienced with the 'meet and greet' side, this area was behind schedule in implementing the new strategy. This has been recognised and action would be taken.

- (h) A number of examples of good practice were observed; for example, a note was kept of numbers of other organisations for people who telephone seeking help from agencies other than the Council.

- (i) Elected Members, as advocates for the Council and very much involved in customer liaison, were generally not fully briefed as part of their induction on the facilities and level of information within Customer Services. The Panel considered that an overview of both Customer First and the Call Centre activities should be given to all existing Members of the Council. Such an overview could be incorporated into the induction of newly elected

Councillors.

- (j) The data available on the Council Intranet and the Internet was always being expanded/updated and staff, particularly at busy locations, had difficulty keeping up to date and also recollecting where data was presented. It was suggested that procedures were developed to minimise this problem, possibly by creating an update page.

- (k) Whilst there appeared a high level strategy for the development of Customer First, upon investigation, the cascade of this to the many individual development proposals was not as co-ordinated as it should be. By way of example, Libraries were being integrated with the Customer First Service by transferring some cashier staff to the Libraries and training Library personnel in Customer First practices. This was not found to be fully cascaded through the Library Service. By way of example, no reference is made in the Business Plans to this development. The Library Service, for their part, were well advanced in creating the new I.T. network and in training all staff to obtain the European Driving Licence qualification for I.T.

- (l) In Customer Services, similar training proposals had not been implemented and staff had not been fully integrated into one service, with some cashiers still identifying cash collection as a separate operation. To do so would alleviate some of the pressures brought about by fear of changes through inappropriate skills or lack of training opportunities.

- (m) Originally it was intended that Customer First would develop centres as one stop shops, not only for Council services, but also many other public services like Police, Benefits Agency, voluntary sector. Generally, this had not developed as well as first expected and the Panel would like to see these proposals restarted as they would particularly benefit the less able and most vulnerable in our society.

- (n) The Exchequer Service is also taking into account the likelihood that the services it provides to New Charter tenants in terms of collecting rents could well be lost with New Charter deciding to carry out the function themselves or through an alternative provider.

- (o) Just prior to the commencement of the Panel's Review, a new Council A-Z guide was published which appeared to have no regard for Council policy towards having a single contact point for all customers to access Council services. The A-Z listed numerous office telephone numbers, some of which had no guarantee of being staffed continually through the working day and caused fragmenting in dealing with customer issues and even undermined the Council's interface with its customers. It is anticipated there will be no recurrence of this as it was recognised by the Head of Service as a setback. There were, however, still opportunities being missed to ensure that this front line service was supported by the development of the corporate image. Continual publicity must be given to Customer First in all Council publications, specifically those similar to the Citizen, Best Value Performance Plan and complaints forms, to enforce the Council's image at contact points.

- (p) Issues were identified with regard to staff morale, the first being the use of short term contracts and a resort to agency staff, the latter being particularly in the area of the Call Centre . It was now understood that reliance on agency staff is expected to finish at the end of April 2001, once new staff are fully trained. It was not understood why staff who, for a number of years and had been on renewed temporary employment contracts were not grouped with all other associated staff in the service and integrated in a manner which

eliminated any concerns over redundancy. Conversely, it was felt that it should be explained to all staff that the Authority might eventually move towards a single definition of a Customer First Officer and through multi-skilling, expect them to cover all the duties, whether it be in a connection with cash collection, or information services.

4. Pay-Point system of cash collection

During the period of the review, the Cabinet made a decision to introduce Pay-Point cash collection in the Borough. This decision was taken as a result of the decline in cash payments.

- (a) Whilst this system was not included in the original Terms of Reference of this Review, the Panel gave detailed consideration to the proposals and have made some comments. The Panel would also like to further address the issues raised in paragraphs 5 (a) - (f) below.

We live in a changing environment which , in turn was adding more pressure on a new service like Customer First, which already had a massive change agenda. At national level, the

- (b) reliance on cash for payment transactions was reducing substantially with many people adopting cash-less systems such as direct debit and card payments.

The service had already introduced electronic pay-points, marketed direct debit and standing order schemes with great success and also took payments through various debit and credit

- (c) cards. Generally, this activity reduced transaction costs and matches customer expectation. However, the reduction of payments by cash has led to the unit cost of this service increasing, particularly in the lesser used Town Halls.

Accordingly, an innovative yet controversial strategy was in the course of implementation to adopt a pay-point system outsourced to the Co-operative Bank, whereby designated corner shops, off-licences etc., would take payments for all charges against Council invoices. These

- (d) pay-points also took a variety of other payments for example utility bills and home shopping accounts. This was seen by management as an enhancement of service given that the pay-points were often open longer hours and could take a variety of payments. All payments by credit/debit card or cheque could still be made at Customer First offices.

This to the public has a number of advantages, the most significant being that it increased the number of locations where cash payments could be made to approximately 40 in the

- (e) Borough, allowing payments to be made at least six days per week and over a longer working day.

The Council proposed in the medium term to cease taking cash payments at cash offices other than Ashton and Hyde Town Halls. The ability to pay by cash-less means would be

- (f) increased by payments being taken at Libraries and possibly some public buildings. The Council also operated specialist services for the housebound and made provision for payments through Post Offices in isolated areas.

The Panel, whilst accepting that there was a need to provide alternative methods of

- (g) payments, considered that there had been limited consultation with Members generally.

- (h) Collecting income as cash is one of the more expensive operations compared with cheque

and direct debit. Currently, the Council accept cash payments at six offices and have arrangements with three Post Offices at Mossley, Broadbottom and Audenshaw. In-house costs are similar to charges levied by the Post Office but the Co-op Bank, by franchising various retailers, petrol stations etc., are able to offer a cash collection service at lower cost enhancing provision in some but not all parts of the Borough.

- The Panel hoped that any savings could be used to improve the hard pressed services for the community. Under this policy it was intended that staff currently providing cashier services will be transferred to customer service points or public libraries to enhance front line services.
- (i)

- To test these proposals, Dukinfield was chosen to implement a trial scheme. Dukinfield currently has a cash office with a low number of citizens paying their bills by cash. During December 2000, a public consultation exercise was carried out to inform those using the service of the proposed changes. However, this was poorly attended. The trial commenced on 1st April, 2001.
- (j)

- As the policy is implemented the proposals will, if necessary, be amended and progressively the scheme, incorporating any learning from the Dukinfield trial, would be developed to cover the whole of the Borough, with a proposed completion date of March 2003.
- (k)

- The Scrutiny Panel was concerned that the consultation at Dukinfield had not been effective and that these changes could well affect the most vulnerable in society and there was a wish to ensure this did not happen. It was claimed by management that generally, the poorest in the community had their council tax and rent paid by benefits and thus do not need to make payments.
- (l)

- The proposal to maintain the cash collection service at Ashton and Hyde linked with the claim that these are also the major shopping venues. Assurances were sought that at other similar centres, such as Denton and Droylsden, Pay-Points would be guaranteed within the shopping areas, thus not creating a second class service to those shopping there.
- (m)

- Members of the Panel were concerned that at busy times, people using the library to make payments could disrupt the quality and concentration for browsing books and computer use. There was also concern as to facilities for public toilets and disabled access. It was pointed out that currently, only one town hall could provide public toilet facilities.
- (n)

- The Scrutiny Panel was assured that analysis had taken place both of the Council's costs and those for alternative collection methods. It was, however, unclear as to how the Council costs varied location upon location and the Panel wished to be assured that this variation had been taken into account in reaching the strategy. Not included in the costs provided were those in connection with credit card commission, cheque clearing costs and electronic transfers. It was assumed that, if people using Pay-Point chose to pay other than by cash, they would incur additional costs which would not be met by the Council. The Panel felt that identification of this had been missed in the advance publicity.
- (o)

5. Issues still to be addressed

Members of the Panel felt that pay points were superficially attractive in cost terms and service delivery, but reference was made to the effect that the initial costs were budgeted as being higher over the first four years. This was due to the provision of payment cards which,

(a) it was anticipated, once in circulation, would diminish as a cost. The Panel Members raised the issue that this may be a false assumption as the value of cards which were lost and required replacement may not be included. It was as yet unclear how this cost would be met.

Members also indicated that further consideration should also be given to the commonality of payment cards and their utilisation, not only at pay points, but at other Council facilities. It

(b) would be necessary of management to determine whether payment cards could be accepted for cash and credit card transactions.

With regard to the draft contract with the Co-op Bank, it was noted that one of the proposed pay point venues was no longer available due to a fire and management had requested that

(c) the Co-op Bank immediately provide an additional pay point in Droylsden. This would prove a good indication to management of the efficiency of the bank in maintaining this service.

Given the proposal for change has, as its key objective, the provision of a better service, criteria was required to measure quality and customer satisfaction. As part of its ongoing

(d) consideration of Customer First, the Panel would request the Cabinet Deputy to provide the exact criteria in terms of service standard and accessibility that the Council would maintain for the payment of the bills it serves on members of the community ?

The Panel had seen no evidence that staff would be reduced by the proposals. Current trends indicate that the Customer First information points will need expansion to meet customer numbers. Amalgamating Customer First staff, cashiers and Libraries staff and providing the appropriate training, would mean the Authority would have to recognise the need to adjust

(e) remuneration levels. This could lead to an expectation that all the staff involved should be re-graded to the highest current grade. This would need balancing against a potential to reduce staff numbers through efficiency improvements. This may lead to an increase in salary costs. Payments to the Co-operative Bank for cash collection would also be additional funding. This will need to be addressed by management if the scheme is to save money.

The Panel considered that one of the largest advances proposed is the use of electronic mail and the development of individual customer files, utilising the Internet. Lack of access to the

(f) Internet may affect adoption by customers of this innovative facility. Management should investigate the provision of terminals at pay-point locations and in major superstores etc.

6. Conclusions

For historic reasons, Customer First, may be underfunded. As a consequence, the pressure to cut costs to meet budgets may lead to the service not reaching its full potential. Long term, the highest quality of service will bring the greatest savings by ensuring that all services

(a) provided by the Council are tailored to the individual customer's needs, eliminating waste and ensuring they are valued by the customer. Budgets should be reviewed with this perspective.

(b) The vision of a one-stop shop around the Customer First concept had the potential and was

drawing in staff from a substantial number of service units, for example, Library and Environmental Health staff . Change caused uncertainty and concern amongst Council employees. Faster, more detailed information needed to be circulated to all employees to reduce rumour and myth, i.e. is Customer First and its role communicated to all new employees as part of the induction process. Is the Council web site and the importance of up to date information needed to keep Customer First staff informed of changes, communicated through the organisation. Other examples would be the publication of the Council's A-Z, all corporate communications and the work produced by the Marketing and Communications Section.

(c) The Panel were concerned regarding the lack of development of joint working arrangements with the Benefits Agency to provide a one stop shop as had originally been envisaged some years previously and considered that this was not due to a lack of commitment from this Council.

(d) The corporate image of the Council is most important. Regular checks should be undertaken before and during the implementation of capital projects and changes in customer service to ensure the corporate image was being maintained. The various information bulletins should also be designed and checked, not only to have a common appearance, but also to support the accuracy and manner with which Customer First staff can deal with customers.

(e) Customer First fronts all the Council's service units and as such relies on the efficiency and effectiveness of those units. Regular meetings should be programmed by service units to ensure that issues raised through Customer Services are actioned.

(f) The refurbishment of customer access points in the Council has not "rolled out" to all districts on the programme or on the timescales originally envisaged. Where customer access has been improved, e.g. TAC, small but significant elements in the proposals still appear to be missing. It is vital for staff morale and customer satisfaction that details of this nature are quickly dealt with.

(g) The fast track desk incorporated in each Customer Service area, whilst excellent, could on occasions become too involved in complaint resolution and actually cause delays to customers. It is also questioned as to whether it is necessary or indeed would be cost effective in smaller offices.

(h) The performance indicators dealing with customer queries, complaints and requests for services, appears only to measure time taken to respond to time, i.e. five days, and not the contents of the response. Often this involved a 'holding reply'. It would be worth analysing causes of any delays and a breakdown of the services for individual contacts. An analysis of the cause of breakdowns of service should be undertaken.

(i) Customer First is obtaining a wealth of statistical information, not only measuring the demand for services, but also how that demand varies on timescales from area to area and year after year. Currently there appears to be no resources allocated to keeping this information and interpreting it for use by service providers and in policy making. Using information in this way would truly demonstrate customers needs directing the Council's service provision.

(j) The performance management data concerning Customer First appears to concentrate on volumes and costs more than with quality issues. Being open with this information could generate more detailed customer feedback to enable the need for future development to be assessed. All Customer Access Points should display customer satisfaction information.

(k) It is likely, that one method of customer contact will prove more cost effective than others, a review should be carried out to determine relative costs and whether both customers and the Council could benefit from promotion of the lowest cost communication methods when customers were able to use several systems.

(l) Whilst the Call Centre concept has been well developed, it has not been implemented fully nor is it operating to the levels required for customer satisfaction. The Call Centre must be driven forward to offer access to all Council services through a single point of contact. Within this policy, action must be taken to avoid customers contacting officers who cannot guarantee to have staff trained in customer care and operational for the full working day.

(m) The Exchequer Service not only handles receipts from the general public, but also from internal elements of the organisation, i.e. car parking revenues, school meals money.

(n) The proposed changes to the Customer First Service imply opportunities for budget reductions to eventually occur. The Panel wish to see a balance kept between budget reduction and service quality improvement. Where savings are achieved, the Panel wish to see these documented and clear links made to the savings being reinvested in front line service provision.

7. Recommendations

(a) That an exercise should be carried out to identify all the staff likely to be affected by the proposed changes and meetings arranged to fully inform those involved. This could include a strategy for training to meet the changing skills base and be linked to a much larger human resources plan, ensuring any reductions in staff can be catered for through natural wastage, early retirement etc.

(b) That a review should be carried out to ensure that all channels of communication that exist between the Council and its customers are dealt with in a uniform and standard manner. This will be addressed more fully in the second part of the Panel's report.

(c) That the Cabinet Deputy be requested to further investigate joint working arrangements with the Benefits Agency at Customer First Offices, with the appropriate Government Department.

(d) That the Council maintains and reinforces its corporate image by adherence to the Authority's agreed marketing policy.

(e) That the current programme for the refurbishment of customer access points be reviewed with an achievable timescale published and maintained and further consideration be given to the inclusion of public toilet facilities at outstations in the refurbishment programme.

- (f) That all existing Members of the Council are given the opportunity to visit the Call Centre and receive an overview of Customer First operations and incorporate such a visit and overview into the Induction Training of newly elected Councillors.
- (g) That the Strategic Directorate ensure that whenever major changes are considered, all staff organisations are consulted.
- (h) That the training of staff needs to emphasise the need for the fast track desk to operate as originally intended.
- (i) That consideration be given to an assessment of all queries raised in Customer First Offices which may highlight repeated areas of concern in particular services and to maintaining and publicising within the front offices, an assessment of quality measures.
- (j) That an assessment be made to determine the cheapest and most effective way of handling requests for services, complaints etc. between the various alternatives, i.e. by telephone, e-mail, personal visit, or even the establishment of a freephone number.
- (k) That urgent consideration be given to the review and completion of the Call Centre programme.
- (l) That the internal cash handling activities should be reviewed and a far more succinct and streamlined system designed to ensure the proper accounting and banking of this income.
- (m) The Panel wish to see a balance kept between budget reduction and service quality improvement. Where savings are achieved, the Panel wish to see these documented and clear links made to the savings being reinvested in front line service provision.
- (n) That the Head of Exchequer and Customer Services seek further legal advice regarding the termination of those long term temporary contracts of employees in the Unit.
- (o) That the Cabinet Deputy considers the introduction of a guideline specifying distance criteria from pay point outlets beyond which residents should not be expected to travel and hence payment at Post Offices, if nearer, should be allowed at no additional cost to the public.
- (p) That management must ensure that all pay points have complete access for disabled people, the elderly and parents with prams, etc., and preferably are also equipped with a loop system.
- (q) As the programme for the implementation of the Pay-Point system is developed and implemented, ensure that the District Assemblies are consulted because the Panel felt that the public and elected Members had not had the benefit of adequate consultation and may be drawn to the belief that savings had been achieved at the cost of services to the public and when consultation takes place with District Assemblies, Elected Members should have an input into suggesting alternative venues and locations for pay points.
- (r) That pay points should be created in town centres before current town centre pay provision is closed.

(s) That the Panel investigates E Thameside as Part 2 of its scrutiny consideration of Customer First.

The panel would like to thank the staff and customers in all customer services offices for their co-operation during the course of this review.

Thanks are also extended to the head of exchequer and customer services for her co-operation and frankness during the meetings with the panel and individual members thereof.