

REPORT OF THE DIRECTOR OF SOCIAL AND CULTURAL SERVICES
TO THE EXECUTIVE
3 FEBRUARY 2006

Customer Contact Strategy

1.0 Introduction and Report Summary

1.1 This report draws on a number of sources notably:

- The Consultants Report in respect of Customer Contact Strategy
- Business Case in respect of Customer Contact Strategy
- Project Appraisal Local Services Point 2
- Consultants Report in respect of partnering and/or outsourcing of Revenue and Benefit Services and
- Best Value Review Revenues and Benefits

1.2 The report draws together the issues arising from the above documents and recommendations for the adoption of a Customer Contact Strategy.

1.3 The Contact Officer for this report is Tim Sadler Strategic Director, 01235 540360.

2.0 Recommendations

That the Executive recommends to Council the Customer Contact Strategy attached to this report.

3.0 Relationship with the Council's Vision, Strategies and Policies

(a) The report relates to the Access to Services Strategy

(b) The Access to Services Strategy has been drafted to reflect current advice and related policy.

4.0 Background and Supporting Information

4.1 Members of the Executive will recall that the rationale behind drawing together a Customer Contact Strategy was to give clear direction and set clear expectations regarding the development of Access to Services, Local Service Points, Contact Centres and how service re-engineering, workflow and use of the contact centre would improve both customer satisfaction, services and efficiency.

4.2 The NCC report on the development of a Customer Contact Strategy and Business Case for the Vale confirms that the Council's approach of seeking "a broad and shallow" approach to the development of our Local Service Points and Customer Contact Centre and the integration of customer relationship management technologies is correct.

4.3 This is because of the costs and technical difficulties of joining together the customer relationship system with the various legacy systems in the organisation.

4.4 The broad and shallow approach enables the Council to generate benefits which are primarily non-cashable benefits, as set out in Appendix 1 of the proposed Strategy.

- 4.5 We have modelled the potential cost savings from driving a broad and shallow approach, combined with a rigorous approach to re-engineering and workflow around back office services and the collection of payments.
- 4.6 Theoretically the cost savings achievable are significant. However, when taking into account the consultants advice to discount these due to the limited economies of scale available at the Vale, being a relatively small District Council, uncertainty and potential growth, both in the number of contacts and as a consequence of the additional call on services, we believe that a realistic expectation of cost savings from driving a broad and shallow strategy are in the region of £40-50K per annum.
- 4.7 However, the actual cost savings after implementation are yet to be identified. Therefore the working assumption in the budget is that in the medium term, after implementation costs, the Strategy would be cost neutral. However, as and when specific savings are identified they would be taken at that time.
- 4.8 The cost of implementing the contact centre thus far have been set out in the post project review. The estimated costs of rolling out this approach to further service areas is £240K. This sum is included in the Executive's Initial Budget Proposition spread over 3 years.
- 4.9 We have therefore concluded that a customer contact strategy with the aims and principles set out as an appendix to this report is appropriate for this Council and request that the Executive confirm this and recommend it to Council in order that work can proceed on the detailed implementation plan.

5.0 **Conclusions**

- 5.1 It is our view that despite the limitations imposed by the relatively small scale of the operation of the Vale and the fact that this may get even smaller in the future that a Customer Contact Strategy which continues to implement the LSP2 customer contact centre under a "broad and shallow" strategy approach is warranted, not least by the non-cashable benefits achievable but also from the modest cash savings that are likely to accrue.

TIM SADLER
STRATEGIC DIRECTOR

Background Papers:

The Consultants Report in respect of Customer Contact Strategy
Project Appraisal Local Services Point 2
Consultants Report in respect of partnering and/or outsourcing of Revenue and Benefit Services
Best Value Review Revenues and Benefits