

Worcestershire Hub Scrutiny Task Group Meeting

Wednesday 26 May 2010, 10.30am – Notes / Action

Members

Worcestershire County Council

Bob Banks (Lead Member)
Nathan Desmond
Stephen Peters
David Thain
Liz Tucker

District Councils (co-optees)

Laurie Evans (Wychavon District Council)
Roger Sutton (Malvern Hills District Council)
Kit Taylor (Bromsgrove District Council)
Geoff Williams (Worcester City Council)

Officers

Scrutiny: Suzanne O'leary, Overview and Scrutiny Manager, Emma James, Overview and Scrutiny Officer, Annette Stock, Policy & Review Officer and Emma Breckin, Performance Improvement Officer (Scrutiny Liaison Officers)

Items 2 & 3 – Rachel Hill, Head of the Worcestershire Hub Shared Service, Jane Bowen, Worcestershire Hub Operations Manager, Tony Dipple, Head of Financial Appraisal and Nick Hughes, Principal Finance Officer for Corporate Services

Item 4 – Ivor Pumfrey, Head of Customer Services and Environmental Services (MHDC), David Thorpe, Head of Customer Services and Business Transformation and Malcolm Cox, Service Manager for Refuse and Recycling (Worcester City Council)

Available papers

Agenda

1. **Welcome/Apologies**

The Chair welcomed everyone to the meeting.

Apologies were received from Graham Ballinger and Lucy Hodgson. Lucy Hodgson had forwarded some questions for items 2 and 3, which were integrated into the discussion.

It was noted that the membership of the group had changed. Following the elections, Jinny Pearce's role had changed, and so Gay Hopkins had replaced her as the Redditch Borough Council representative. Unfortunately Gay Hopkins was unable to attend this meeting.

Bob Banks declared a personal interest, as a member of the Worcestershire Hub Board.

2. **Performance**

Rachel Hill, Head of the Worcestershire Hub Shared Service
Jane Bowen, Worcestershire Hub Operations Manager

Rachel Hill, Head of the Worcestershire Hub Shared Service introduced this item. There was a large amount of performance information available, which was summarised in the agenda. Across the Worcestershire Hub, there were many differences in the range and depth of services provided. The Group may wish for further information to clarify these differences, and this work could be carried out if required. Appended to the agenda report, was an extract from the

Action

Include item on all future agendas

Worcestershire Hub Shared Service Performance report, which went to the Joint Committee in April 2010.

From the range of performance information and indicators available, the Worcestershire Hub Shared Service (WHSS) had agreed to focus on the six key performance indicators (KPIs) set out in the agenda (p9), many of which were industry standards. The Head of WHSS would like to see the six KPIs rolled out across the whole Hub, which would also consolidate reporting

The centres set out in the agenda report (p2) tended to deal with the whole range of customer enquiries, although the vast majority of enquiries made in person related to district council services. The one county council service which generated face to face enquiries was the blue badge service.

The agenda report included a breakdown of performance figures for each district, although this was for the full year, rather than month by month.

In response to members' questions, the following information was provided:

- Regarding the KPI for telephony service level (target of 80% of calls answered in 20 seconds), Rachel Hill advised that traditionally, this had been broadly attained across the Hub. The economic downturn had put challenging pressures on this target, but the service level was now improving
- regarding the KPI for customer satisfaction, it was confirmed that this data was relatively easy to collect from face to face customers. A proportion of telephone customers were called back, using the same set of questions. Rachel Hill wanted to do more, and was exploring methods e.g Wychavon use a system called GovMetric for revenues and benefits customers
- regarding the KPI for avoidable contact, and whether there were specific programmes to address this, members were advised that the county council programme was being worked up as part of the BOLD project (better outcomes, leaner delivery). Wychavon had a specific programme to address this
- the six KPIs had only been agreed by the WHSS in April 2010 – the first report was due to go to the WHSS Board, and it was agreed that this would be forwarded to the Group
- it was true that some of the total incoming calls could be repeat calls – the team did not have a scientific means of identifying this proportion, although the total calls answered indicator would reveal whether calls were not being answered. If a customer told the Hub that they had had to call back, this would be recorded as avoidable contact – although it was recognised not all customers would say anything
- the jump in call figures for March reflected demand for council tax enquiries
- members queried why the number of total incoming calls varied dramatically over the year, whereas average call duration remained fairly constant. They were advised that just a small increase in calls could have an impact on average call duration, and also that there was quite a long lead-in to an increase in call duration
- the point was made that call duration figures may also reflect the fact that during some months a lot of calls were not being answered
- to minimise the 'not ready' time of customer service staff in-between calls, staff at the shared service centre (Perry Wood) were coached to enter as much information as possible on-screen during the call. This

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made most efficient use of the time, but also minimised the risk of mistakes or failure to collect all information needed to complete the screen. At Perry Wood the average staff 'not ready' time was 5-10%. Staff also had regular scheduled breaks

- an example of a time consuming enquiry was property searches, which were provided to Malvern Hills DC. These are generally from business customers, such as a solicitor, who would likely have several searches at one time. It was a low volume service, although calls could take up to 20 minutes, but it was hoped to introduce an online option for this service, in recognition of the length of time required – in connection with this example, it was agreed that the Group could be provided with the list of current 'ongoing' improvement projects of this nature
- as part of the re-alignment of funding from county and the districts, Highways calls were now dealt with centrally at the shared service telephony centre (Perry Wood), accessed via an 0845 telephone number. However, a small number of customers may still direct enquiries to their local area, and therefore all CSAs were trained to deal with Highways enquiries in the same way. It was not necessary for the calls to be re-directed
- members asked whether the percentage figure for calls answered for April 2010 showed an improvement on those set out in the agenda, and it was agreed that this information would be forwarded

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Forwarded
via email
after
meeting

Work with Service Areas

- in response to enquiries about how service areas worked with the Hub, to help it anticipate changing customer demands, members were advised that the Hub worked very closely with service areas to understand peaks in demand for different services, and the Operations Manager met with service managers. For example understanding that demand for school transport peaked in September, and demand for revenues and benefits rose at the beginning and middle of the month, as well as in March and April. Apart from this, the Hub did not receive any particular information regarding forecasting of customer demand. It was recognised that the economic downturn was a change which had been impossible for anyone to predict
- it was acknowledged that there was more scope to anticipate and deal with 'the unpredictable', and there were clear plans of action to improve this. There was not clear agreement with every service regarding points such as at what point an enquiry would be referred to the service area
- if the Hub experiences problems as a result of an action by a service area (e.g. an incorrect letter being sent), it was clarified that the service area would not pick up the cost. However, work was underway to reduce avoidable contact
- Members asked whether the Hub was braced for a likely further increase in revenues and benefits enquiries, and was advised that it 'could not work more closely' with this service area

Understanding the differences

- For face to face customers, there was a difference in how the number of enquiries was recorded (total of visitors-CRM and total of visitors-other). Those which were logged onto the system were recorded as CRM, whereas some enquiries, such as a request for a form or general information may not require use of the screen system, and would

therefore be recorded as visitors-other by some centres. Different districts used different systems. (Q-Matic was an example). Wychavon chose to log all customer visits onto its CRM system, whereas Wyre Forest chose not to

- regarding the breakdown of information for each area, wait times for face to face visits was recorded by the WHSS, but was not included in the area breakdown, as it could not be obtained from all centres
- telephony figures for Wychavon were not listed as all enquiries were dealt with by the service area, apart from the revenues and benefits service (which were included in figures for the WHSS)
- call figures for Redditch had significantly increased because the contact centre now dealt with all calls previously received by the switchboard
- switchboard figures for the County Council were not included, and totalled around 30,000 per month, the majority being business calls
- Redditch had started to deal with council tax enquiries from the end of 2009. It did not deal with revenues and benefits enquiries
- the high numbers of face to face enquiries for Wychavon related to the fact that there were two centres (Persnore and Evesham), and it was also the Council's main reception area

3. **Finance**

Tony Dipple, Head of Financial Appraisal
Nick Hughes, Principal Finance Officer for Corporate Services

The agenda report set out background information and a budget summary for 2010/11. This included information on the recharges to county council frontline services, which had been requested following the Group's session on the library service on 14 April.

Budget – Shared Service

- the decision by the county council to pick up costs for hub management, operational development, communication and training dated in part from the county council's original conception of the Hub, and its drive to initiate the Hub – nonetheless members were surprised that further down the line, this had remained the case
- regarding training costs, it was clarified that this was for more general training. Each district would likely have its own separate training budget for specific training needs, for example training for Hub staff in Bromsgrove dealing with revenues and benefits would be met by Bromsgrove DC
- infrastructure costs for the Hub remained relatively steady, and would not be greatly impacted by new services coming in to the Hub
- the budget provision for supporting the future shared Regulatory Service would be included in next year's figures

Other district centres (outside the Shared Service)

- the allocations from the county council dated back to the original concept of the Hub, and had been updated last year
- broadly, the budgets equated to four Customer Service Advisors per district, and recognised that only a small percentage of enquiries received by the districts related to county council services
- it was clarified that contributions from districts were not included in the table (the Group planned to request this as part of its discussions with

the non-WHSS districts)

- The 10-year contract with Hewlett Packard was approaching the end and members asked whether discussions had begun regarding the shape of a future contract and potential increased costs? Members were advised that the contract, currently £364,000 per year would be put out to tender. Initial discussions with HP had taken place. Rachel Hill advised that in her view, a future contract would be reduced, because the Council was now more self-sufficient

Recharges to frontline service (County Council)

It was emphasized that the Hub was not a service in itself, but was designed to support frontline services. As such, the recharges system worked in the same way as for other support service functions, such as Human Resources and IT. The budget of £3.92K was approved and managed from the outset by Rachel Hill, and was prepared in November as part of the overall budget preparations, using customer enquiry volume data available at that time. It was also necessary to allow for the possibility for a service to migrate to the Hub. Discussion on how to resource the Hub had been discussed with service areas three years previously.

The recharge is allocated to each service area as a 'top-slice' arrangement at the start of budget allocation, and therefore did not impact on the service's controllable budget.

The Head of Financial Appraisal stressed that recharges were looked at, as part of scrutiny of support services, and were subject to exactly the same scrutiny as other elements of the budget. This scrutiny exercise was an example of this.

Regarding the library service, work had been done to assess the potential volume of enquiries which were appropriate to route through the Hub. It was true that a number of enquiries for library services did not come through the Hub, and further promotion of the shared service number would take place, with a view to changing this customer behaviour.

- Members queried why all services were charged (even those which did not use the Hub), and were advised that when the Hub was created, this was on the basis that the Hub would be the initial point of contact for all county council services
- members queried whether a change in customer demand for a service (e.g. more customers accessing the library online) would lead to a reduction in the recharge, and were advised that this was in fact the case. The recharge was not a fixed figure
- the high recharge for libraries reflected the fact that this was a high volume service
- in response to a query on whether the value for money offered by the Hub was reviewed, members were advised that this was a complex thing to do in a routine way. However, it was pointed out that the Hub did offer good value for money, and that the more services using the Hub, the greater the potential for unit costs to reduce.
- the head of Financial Appraisal pointed out the need to address the Hub working to its optimal level, which would also ensure the best value for money
- a piece of work was underway to calculate the average cost of a

- customer enquiry for different service areas, which would be available in August – it was agreed this would be forwarded to the Group
- Members were advised that the Hub was constantly looking at ways to reduce overheads
 - Members agreed that their scrutiny needed to have a full picture of Hub costs, including those of the district councils. Requests for this information would take place as part of the sub-group visits to the non-shared service districts. (Wyre Forest has advised it would need to clear the request with its Cabinet)

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Incorporated into district discussions

4. **District Council Perspective – Joint discussion with Malvern Hills District Council and Worcester City Council**

Malvern Hills District Council – Ivor Pumfrey, Head of Customer and Environmental Service

Worcester City Council – David Thorpe, Head of Customer Services and Business Transformation, and Malcolm Cox, Operational Service Manager for Refuse and Recycling

It was noted that p27 of the agenda contained a mistake. The sub-group visit to Wyre Forest had taken place on 25 May, and the visit to Redditch & Bromsgrove was scheduled for 7 June.

Discussion Points

- Worcester City's decision to join the WHSS had been based on a desire to improve customer service. At the time the move was cost neutral, and saving money had not been the motivation to join. However, there were now added pressures to save and to make processes leaner
- both Worcester City and Malvern felt it was important to address the end to end process of service delivery, and to look at this from the customer point of view
- the Malvern officer felt that the respective senior management teams had high confidence in the Hub
- the Worcester City officer felt that his senior management team had similar confidence in the Hub. Confidence had dipped during the period of massive demand as a result of the recession, but there had been general acceptance that the Council wouldn't have coped under previous arrangements
- in response to queries about Malvern members' confidence in the Hub, given that some Malvern members had requested this scrutiny exercise, Ivor Pumfrey acknowledged that the Hub had indeed gone through a bad patch last year and Malvern had carried out analysis to understand the reasons, as well as looking at the Hub through scrutiny arrangements (Joint scrutiny of South Worcestershire Revs & Bens). Some problems were unearthed, for example the flow of information between the Hub and service areas. Having gone through the difficult patch, members were now very supportive
- Malvern had taken the decision to put the Hub at the front of all services, which the Malvern Officer felt had been beneficial
- the Worcester Officers stressed the importance of doing as much as possible at the first point of contact, as each referral meant more time and greater cost.

Effects of the recession / revenues and benefits service

- Members asked the officers' views on the fact that Wyre Forest, Redditch and Bromsgrove Councils would have encountered the same problems during the economic downturn, and yet did not appear to have had the same problems in dealing with the situation. Ivor Pumfrey did not feel it was possible to make comparisons because of the different role of the Hub in different areas in dealing with revenues and benefits enquiries. The Shared Service sought to deal with these enquiries to a much greater depth, and required an average customer time of 4 minutes, compared to the overall Hub average of 2-3 minutes
- there was much anecdotal evidence about the period of difficulty for the Hub, and members asked whether the officers felt this was a result of the recession, or of the integration with the revenues and benefits service? The officers felt it was a combination of these two factors. David Thorpe also referred to national information relating revenues and benefits, and the requirement to report on changes in peoples' circumstances. The recession had led to backlogs of claim forms, which in turn had generated further enquiries

Hub Governance / joining the WHSS

- Members talked about their concerns regarding governance of the Hub, which appeared complex, extensive and in need of a rethink. The Malvern officer agreed that there would be a need to reconsider governance at the right time, which he understood had always been the intention once all districts were part of the WHSS. He felt it would be better to look at district participation before reconfiguring the governance
- members asked what expense would be required, should all district councils opt in to the WHSS, and were advised that technically the infrastructure could cope. There may be a need for increased IT provision, but there would be significant efficiency gains
- the Worcester Officers felt that being part of the WHSS gave them a better drive on customer focus, enabling them to work with the cabinet members, and with the Head of Worcestershire Shared Service. They felt less isolated, and were happy with the current Management Board and Joint Committee set-up
- there was some concern from members at the ease with which the Regulatory Service had 'sailed through' the process of joining the shared service, and that there appeared to be little information in the relevant papers on service level or quality
- some members also felt there was a plethora of joint committees, plus service groups, and yet a democratic deficit, with the only route for members to engage being through scrutiny arrangements, which as yet had not been thought out. The Malvern officer agreed that there was a need to engage members, and also the public, if only to diffuse any suspicion. He felt that each partner had looked at scrutiny differently, which reflected the way in which relationships across the Hub had evolved
- some members felt that information was in fact available to members
- the officers were asked whether they felt it was necessary to set up a new Board as each service joined the Hub – the Malvern officer felt that this depended on the complexity of the service concerned. The Joint Committee had to focus at an overall level, and therefore for some services it was useful to have a project team

- members discussed the model of having one Joint Committee with overall control, plus project teams, which it was felt could work well. It was felt that a central joint committee would be the best way to get everyone involved.

Self-service / online access

- The Worcester officers felt that it was important to offer choices, and that the same should be available to customers whether via phone, online etc. The website gave the best way to connect with the back office, and had the fantastic advantage of removing the need for data input by the Hub, which was cheaper and less prone to mistakes. Experience revealed that people found it much easier to submit information online rather than on paper, and a further advantage was that the machine could validate the information along the way. He felt there needed to be a drive to market self-service, and felt that as soon as the facilities were available, this route would take off. Simplicity was key
- the Malvern officer pointed out that currently, many web options did not present themselves easily, and did not present a better offer for the customer. For example, when introducing the recent garden waste scheme, customers had been able to sign up online, but the Hub had had to call them to collect payment
- it was agreed that it was important to extend self-service options to those without computers at home, and one way to do this would be via kiosks. The officers advised that interactive TV was another option.

5. Future meeting dates:

A full task group meeting had been arranged for Thursday 1 July at 2pm, to look at the Worcestershire Hub's future development, including the Regulatory Service.

In response to a query about consulting parish councils, members were advised that the scrutiny officers had drafted something for the bulletin, which would be forwarded to them shortly.

EJ/JW to
progress