

# Efficiency, Improvement and Transformation Programme

## Task and Finish Review

### CUSTOMER SERVICES AND TAXATION BASELINE POSITION

Report to Corporate, Adult Services & Social Inclusion Select  
Committee

26<sup>th</sup> October 2010

## **Introduction**

1. A “task and finish” EIT Review is being conducted, to identify options for efficiencies, improvement and transformation within Customer Services and Taxation, which is part of the Resources Service Grouping.
2. This report presents baseline information relating to the service. A further report to this Committee, on 7<sup>th</sup> December 2010, will provide details of an evaluation of the service, options for service reconfigurations and recommendations for future delivery of the service.

## **Baseline Information**

### What is the service and how is it provided?

#### *Customer Services*

3. Customer Services is responsible for delivering the Council’s Access to Services Programme, which aims to make it as easy as possible for customers to find information, request a service, report an issue or transact with the Council.
4. The service is an “in-house” service, staffed by customer service professionals, and its main operations are:

- The telephone contact centre answering incoming calls for:

Care for Your Area	Benefits	Taxation
Main switchboard	Telephone payments	Private Sector Housing
Pupil & Student Support	Tees Achieve	Planning & Building Control
Environmental services (still phased in)	Health	Car Parking, Blue Badges & Concessionary Fares

- Multi-service centres for customers to access services face-to-face. These are “one-stop shops” for all Council services. The Access to Services Programme will ultimately provide three multi-service centres, one in each of Stockton, Thornaby and Billingham. The first of these (Thornaby) opened in March 2009, the second (Stockton) is scheduled to open in Autumn 2011 and the Billingham centre will form part of the Billingham Integrated Health and Social Care facility, scheduled for 2013.
- Community Access Points to improve access to services for residents in outlying parts of the borough that want to interact with the Council on a face-to-face basis. There are currently Community Access points in Tesco stores at Ingleby Barwick and Durham Road. Each operates for three hours once a month.
- Reception services at Municipal Buildings and Kingsway House. The Environment Centre service is also delivered from Municipal Buildings Reception, pending the opening of the Stockton multi-service centre.
- A team within Customer Services manages the development and implementation of the Council’s corporate “Customer First” and Customer

Service Excellence initiatives which define standards and create a customer-focussed culture for the whole Authority. The team also administers and develops the CRM (customer relationship management) ICT system and MacFarlane telephony system, both of which are key enablers of the Access to Services vision.

### *Taxation*

4. The Taxation Service is an in-house service, responsible for the administration of local taxation – Council Tax, Business Rates (NNDR) and for cashiering functions. It fulfils the requirements placed on the Council by the 1988 and 1992 Local Government and Finance Acts and hundreds of statutory instruments associated with these Acts.
5. The key activities carried out in order to deliver these services are:
  - Identifying liability;
  - Issuing bills;
  - Making arrangements for collection of amounts due through a variety of payment methods and payment profiles;
  - Administering discount, exemption, relief and reduction schemes;
  - Recovery and enforcement of unpaid amounts;
  - Responding to complex enquiries referred from the contact centre, complaints and appeals;
  - Accepting payments, issuing receipts and posting payments to accounts.
6. The Cashiers also undertake a range of ancillary services including payment of Members Allowances, cheque encashment, paying out Social Services allowances, petty cash / cash advances, booking travel and accommodation and counting/banking car parking receipts.

### What influences impact on the service?

7. Both Customer Services and Taxation are highly dependent upon technology to deliver effective and efficient services:
  - New developments in technology have enabled the CRM (customer relationship management system) to integrate more easily with key back office systems providing instant information for Customer Services staff.
  - User-friendly on-line self-service facilities will encourage customers to use cheaper access channels.
  - Contact centre telephony has sophisticated call queuing and call routing facilities and provides detailed performance monitoring information.
  - The introduction of an electronic document and records management and workflow system within Taxation was accompanied by the introduction of streamlined procedures and means that time spent on filing and retrieving paper based documents has significantly reduced.

This dependence on technology and the high cost of changing suppliers/systems means that our existing suppliers are in a strong position in terms of charging for new modules and system development work.

8. The Recession has generated additional workload for both Customer Services and Taxation – increased numbers of enquiries and account amendments. Temporary staff have been employed to assist with the additional workload but it is anticipated that these contracts will come to an end over the next 12 months.

9. Legislative changes are frequent and impact on the services in terms of software changes, new procedures and staff training. Over the last year changes have included the Business Rates Deferral Scheme, amendments to the small business rate relief scheme (both requiring the issue of amended bills part-way through the financial year) and removal of the requirements to show efficiency information on bills. Significant increases in the costs that Magistrates Courts are allowed to charge Councils for making committal applications (from £55 to £240) necessitated a review of how we recover unpaid Council Tax and Business Rates that have reached the latter stages of enforcement. If the Government decides to proceed with the initiative, the introduction of Council Tax referenda will have an impact.
10. Stockton's Council Tax base continues to grow as more homes are built. The number of business rate premises has also increased over the last twelve months. The administration of the increasing number of accounts is being managed without any associated increase in staffing resource.
11. Customer Services is still very much a new service (created in 2007), the roll out of the Access to Services programme is not yet complete and the service is still undergoing considerable change. We are still working to understand and manage the impact of "seasonal" fluctuations of work dictated by weather, the time of year (eg Council Tax annual billing, adult education course enrolment) and other external factors. There is still more work to be done balancing staffing levels to meet peaks and troughs, assessing the appropriate staffing levels for the Stockton multi-service centre and developing self-service systems that would help to migrate incoming enquiries to cheaper access channels. These pieces of work will help the service to strike a balance between making efficiency savings, service improvements and deliver services at the appropriate performance levels.

What does the service cost and what resources does it use?

12. Details are provided in the following table:

<b>CUSTOMER SERVICES</b>								
<u>Cost of the Service</u>	<u>No of FTE</u>	<u>Resources Used</u>						
2010/2011 Budget (excluding support service recharges) <ul style="list-style-type: none"> <li>Contact Centre, Multi-service Centre, admin and management:               <table border="0"> <tr> <td>Employees</td> <td>£1,153,684</td> </tr> <tr> <td>Other</td> <td><u>£ 107,740</u></td> </tr> <tr> <td><b>Total</b></td> <td><b>£1,261,424</b></td> </tr> </table> </li> <li>CRM system – <b>£44,892</b></li> </ul>	Employees	£1,153,684	Other	<u>£ 107,740</u>	<b>Total</b>	<b>£1,261,424</b>	42.5 (permanent posts)	Contact Centre and management based at Municipal Buildings; Multi-service centre within Thornaby Central Library. Kingsway House reception MacFarlane telephony system, NDL software integration product.  Lagan CRM system, Civica Open Vision module for integration between CRM and Taxation and Benefits system
Employees	£1,153,684							
Other	<u>£ 107,740</u>							
<b>Total</b>	<b>£1,261,424</b>							

<b>TAXATION</b>		
<u>Cost of the Service</u>	<u>No of FTE</u>	<u>Resources Used</u>
2010/2011 Budget (excluding support service recharges) • Tax Collection (CTAX and NNDR): Employees     £784,866 Other           £307,352 Income* <u>(£755,184)</u> <b>Total           £337,034</b> * Income from court costs and NNDR grant)	29.3 (permanent posts)	Taxation service at Kingsway House
• Cashiers: Employees     £220,154 Other           £ 32,535 Income* <u>(£ 60,180)</u> <b>Total           £192,509</b> * Income from Tristar Homes	10.6 (permanent)	Cash offices (3) at Municipal Buildings, Thornaby Library/multi-service centre, Billingham Council Offices.
• IT Systems - <b>£121,072</b>		ICT systems – Civica Revenues and Benefits system, including e-Government modules; Northgate Information@work document and records management and workflow system. The systems are also used by Benefits
• Discretionary Rate Relief Budget - <b>£141,750</b> (corporate budget)		This budget is used to fund awards of discretionary rate relief to charities and other non-profit making organisations. The Council has a discretionary rate relief policy to inform decisions on any new applications received.

What does Consultation tell us?

13. Feedback from residents was gathered via Viewpoint surveys and focus groups to inform the development of the Access to Services Strategy. High level findings were that the telephone is the preferred method of contact (preferred by over 70% of respondents). Electronic means of interacting with the Council are growing in popularity.
14. The 2008 Ipsos MORI survey indicated that customer care ratings overall were improving, suggesting that the Access to Services and Customer First programmes have had a positive effect on customers' satisfaction with the quality of service and customer care they receive when they contact the Council, with all measures at their highest level recorded. Satisfaction with Council Tax administration has remained static:

When you contacted the Council did you find the staff there .....	MORI Survey					
	1998	2000	2002	2004	2006	2008
Helpful	74%	74%	79%	76%	77%	81%
Unhelpful	21%	20%	17%	18%	17%	15%
<b>Net</b>	<b>53%</b>	<b>54%</b>	<b>62%</b>	<b>58%</b>	<b>60%</b>	<b>66%</b>
Efficient	67%	70%	70%	72%	74%	80%
Inefficient	25%	24%	23%	21%	19%	17%
<b>Net</b>	<b>42%</b>	<b>46%</b>	<b>47%</b>	<b>51%</b>	<b>55%</b>	<b>63%</b>
Able to deal with your query	76%	72%	71%	75%	74%	79%
Unable to deal with your query	18%	23%	24%	20%	21%	18%
<b>Net</b>	<b>58%</b>	<b>49%</b>	<b>47%</b>	<b>55%</b>	<b>53%</b>	<b>61%</b>
Knowledgeable					71%	80%
Not knowledgeable					19%	14%
<b>Net</b>					<b>52%</b>	<b>66%</b>
<b>Satisfaction with Council Tax Administration</b>			2002	2004	2006	2008
Satisfied			55%	50%	54%	53%
Dissatisfied			16%	15%	16%	15%
<b>Net</b>			<b>39%</b>	<b>35%</b>	<b>38%</b>	<b>38%</b>

15. During 2009/2010 over 700 customers responded to Customer Services' satisfaction survey. Feedback showed:

- 87% thought their call was answered promptly;
- 85% said they received the right advice and information in a way they could understand;
- 79% were very satisfied and 18% were fairly satisfied with the service they received.
- 85% reported that their call was answered at the first point of contact without being transferred.

16. During 2009/2010, fifty two visitors to the Taxation Office at Kingsway House completed surveys which indicated 100% satisfaction with the service provided.

#### What do Complaints and Compliments Tell Us?

17. The services deal with thousands of customer enquiries and account amendments, yet receive very few complaints. It is pleasing to note that the number of compliments well exceeds the number of complaints

During 2009/2010	Compliments	Complaints	Comments
Customer Services	74	6	6
Taxation	59	14	3

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