



## **SPECIAL POLICY AND RESOURCES SCRUTINY COMMITTEE – 7TH DECEMBER 2015**

**SUBJECT: SAVINGS PROPOSALS FOR 2016 TO 2017 - CUSTOMER SERVICES**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

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### **1. PURPOSE OF REPORT**

- 1.1 To advise Members of proposed service changes within Customer Services that are required to achieve the Budget Savings for 2016/17 of £122 k as proposed by Cabinet on 14 October 2015.
- 1.2 To seek Members' views on these proposals.

### **2. SUMMARY**

- 2.1 As part of the Medium Term Financial Plan, a further budget saving of £122,000 has been proposed for the Customer Services budget for 2016/17.
- 2.2 The Mobile Customer Service Centre has had very limited uptake by residents. It is therefore proposed that this service is discontinued which will generate a saving of £70,000. A further reduction in the opening hours of Customer Service Centres and projects to encourage customers to use lower cost contact channels such as the Contact Centre, on-line digital services and kiosks will generate a saving of £52,000, principally in staff related costs.
- 2.3 These proposed reductions will lead to the need to reduce staff numbers by 4.3 full time equivalents (FTE).

### **3. LINKS TO STRATEGY**

- 3.1 The work of Customer Services, in particular the Customer Service Centres, contributes to strategic objectives 3 and 4, Physical Access and Communications Access.
- 3.2 Members are advised that the Customer Service Strategy is currently in the process of being updated in the light of the need to encourage more customers to use lower cost access channels, such as the CCBC website. This draft Strategy will be presented to P & R Scrutiny Committee in January 2016.

### **4. THE REPORT**

- 4.1 To support the Medium Term Financial Plan, savings within Customer Services of £122,000 were proposed by Cabinet on 14 October 2015.

- 4.2 A 2.3 FTE reduction in the number of Customer Service Advisors will be achieved by a further reduction in the opening hours of the Customer Service Centres and reducing demand for in-person payments due to customers switching to other access channels such as the phone and on-line digital services. This reduction will generate a saving of £52,000. The reductions in opening hours will be as follows:

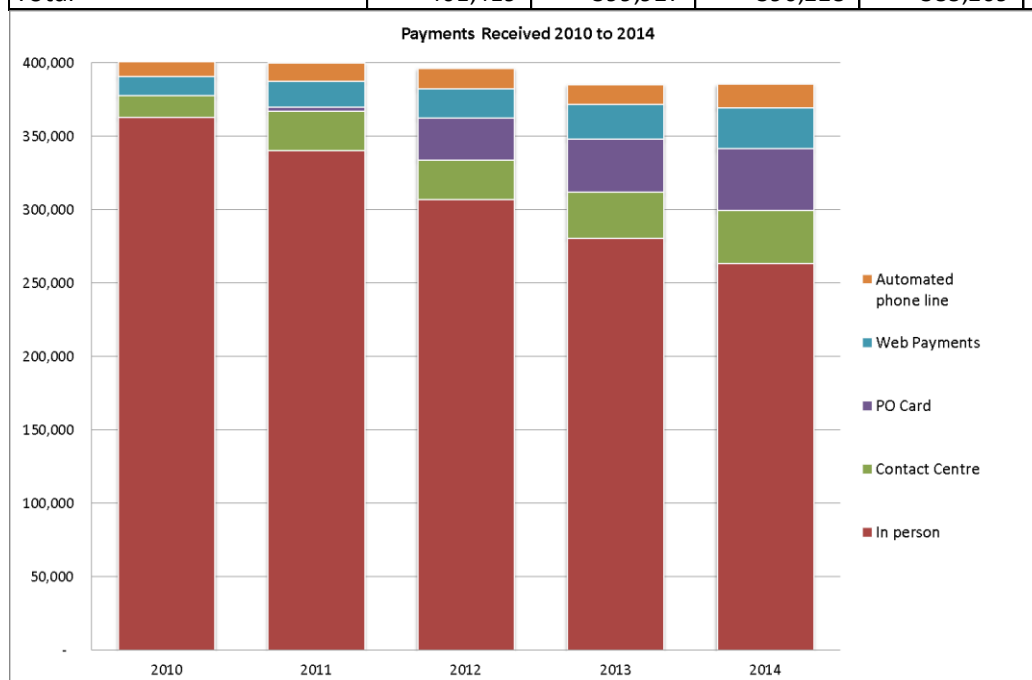
Blackwood	Close Wednesday morning (site is already closed on Wednesday afternoons)
Caerphilly	Close Wednesday morning (site is already closed on Wednesday afternoons)
Risca Palace	Close Thursday morning (site is already closed on Thursday afternoons)
Hanbury Chapel, Bargoed	Close Thursday morning (site is already closed on Thursday afternoons)
Pontllytyn	Close Wednesday morning (site is already closed on Wednesday afternoons)

The current and proposed opening hours for all sites can be found in Appendix 1.

- 4.3 Closures on Mondays, Tuesdays and Fridays have been avoided as these are the busiest days of the week. Saturday morning opening at Caerphilly, Risca, Hanbury Chapel and Blackwood have been retained to ensure that customers who cannot visit centres during the week, for example those who work full time during the week, are not disadvantaged.
- 4.4 The only sites that are closed one afternoon a week are Caerphilly and Blackwood. Rather than close on a second afternoon these sites will close all day on Wednesday as this is the quietest day of the week, it simplifies the opening times and provides less of an operational challenge in terms of staffing levels and communication to customers.
- 4.5 Risca Palace and Hanbury Chapel, Bargoed are closed on Wednesday and Thursday afternoons. To ensure that there are some town centre sites open on Wednesdays, these sites will close on Thursdays. Pontllytyn Customer Service Centre will close for a full day on Wednesdays as the nearest other customer service centre (Hanbury Chapel) will be closed on Thursday's.
- 4.6 Members will note from the table below that the number of payments made in person at offices has dropped by 27% since 2010 and that there has been significant growth in the number of payments made via the Contact Centre and Web. Overall there has been a 6% drop in payments which is likely to be due to increasing uptake of Direct Debit payments for Rent and Council Tax. During the same period, face to face contact for other matters has remained relatively stable apart from the opening of the Customer Service Centre in Caerphilly in 2013 and the introduction of Civic Amenity site van permits.

## Number of payments received

Channel	2010	2011	2012	2013	2014
In person	363,046	340,303	306,894	280,698	263,380
Contact Centre	14,671	26,679	27,023	31,463	36,165
PO Card		3,141	28,704	36,179	42,044
Web Payments	13,205	17,583	19,821	23,308	28,070
Automated phone line	10,497	12,221	13,786	13,621	15,797
Total	401,419	399,927	396,228	385,269	385,456



- 4.7 The Mobile Customer Service Centre (MCSC) has had very limited uptake by residents. Between April 2015 and July 2015, approximately 100 customers a month used the service, mainly to make payments. As a result of this low footfall the average staff cost to deal with each customer contact is approximately £39 per contact. By comparison, the average staff cost of contacts dealt with in the Customer Service Centres or Contact Centre is less than £5. The cost of taking payments in the Customer Service Centres is less than £1 per payment.
- 4.8 Originally the MCSC was introduced to help mitigate the impact of Welfare Reform changes. These changes specifically related to a 10% reduction in Council Tax benefit and the introduction of under occupancy charge i.e. the Bedroom Tax. The shortfall in respect of the 10% reduction in Council Tax Benefit has been funded by Welsh Government to date, hence there has been no impact on residents of the borough. This reduction could have affected up to 20,000 households in the borough. The under occupancy charge has been dealt with by a range of changes to service provision, particularly the establishment of a number of Tenant Liaison Officer posts (funded by the Housing Revenue Account) that have engaged with over 2,000 tenants. Hence the lower than expected usage is a reflection of the success of other initiatives instigated by the Local Authority and the success of channel shift to date. It is therefore proposed that the service is discontinued which will generate a saving of £70 k, which includes the deletion of 2FTE posts and the running costs of the vehicle. The capital cost of purchasing the vehicle was £150 k.
- 4.9 The sale of the vehicle will not recoup the original purchase price as the vehicle will have depreciated since its purchase and has been adapted. Current market value of the vehicle without the adaptations is likely to range from £30k to £40k. This will produce a capital receipt. In the first instance, the vehicle will be offered to other services in the Authority.

- 4.10 Any proposed changes in opening hours will be implemented by July 2016 at the latest. This will allow sufficient time to notify customers of the changes and to allow time to realign staff working patterns.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 A full impact assessment has been undertaken attached at Appendix 2.
- 5.2 Consultation on these proposals with service users, ensuring that elderly and/or disabled people are specifically included, will ensure that any final decision taken has been done robustly, and if challenged on the grounds of failure to take due regard of the Public Sector Equality Duty in Wales, can be fully and properly evidenced.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 These proposals will generate savings of £122,000 as part of the MTFP for 2016/17. However, due to the nature of the reductions it will not be possible to achieve all of these savings in full during 2016/17. It is estimated that £23,00 of the savings will not be achieved until 2017/18. This shortfall can be funded from Corporate Services reserves for 2016/17.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 These proposals will reduce staff numbers by 4.3 FTEs. The service currently has 2 FTE vacant posts. Hence there is a need to reduce by 2.3 staff.
- 7.2 Every effort will be made to avoid compulsory redundancies and full use will be made of personnel policies to achieve this if redeployment of the staff is not achievable in the first instance.
- 7.3 The staff and the Trade Unions have been advised of the potential reduction in staff numbers.

## **8. CONSULTATIONS**

- 8.1 The views of consultees are included within the report.

## **9. RECOMMENDATIONS**

- 9.1 That the new arrangements highlighted in the report are endorsed for further public and user consultation.

## **10. REASONS FOR THE RECOMMENDATIONS**

- 10.1 To inform Members of proposed changes within Customer Services to deliver savings requirements identified in the Cabinet Report of 14 October 2015.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 2000.

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Consultees: Cllr Barbara Jones, Deputy Leader and Cabinet Member for Corporate Services.  
Nicole Scammell, Interim Director of Corporate Services and S151 Officer.  
Stephen Harris, Interim Head of Corporate Finance.  
Lynne Donovan, Interim Head of Human Resources and Organisational  
Development.  
Shaun Couzens, Chief Housing Officer  
Angharad Price, Interim Deputy Monitoring Officer.  
David A. Thomas, Senior Policy Officer (Equalities and Welsh Language).

Appendices:

Appendix 1 – Current and Proposed Opening Hours of Customer First Centres

Appendix 2 – Equality Impact Assessment