

To: POLICY & RESOURCES (FINANCE & CUSTOMER SERVICES) SUB COMMITTEE		Subject: OPERATING MODEL FOR CUSTOMER CONTACT CENTRE
From: HEAD OF E-GOVERNMENT AND SERVICE DEVELOPMENT		
Date: 21 February 2008	Ref: IG/DK	

1. Introduction

- 1.1 The purpose of this report is to seek approval for the implementation of a new operating model for the Customer Contact Centre. This operating model will ensure that the Customer Contact Centre has in place appropriate contingency arrangements to deal with significant, temporary increases in call volumes due to service failures or other significant changes to the delivery of front line services.
- 1.2 The need for such a model was outlined in the draft Customer Services Strategy, approved by Committee in January 2008. The Strategy emphasised the requirement for a "clearly defined operational model, with in built flexibility for contingency,.....ensuring a clear understanding of the level of service being delivered and the ongoing operational costs".

2. Background

- 2.1 The Customer Contact Centre opened in March 2003, assisted by external Modernising Government Funding. Initial transfer of services to the Customer Contact Centre (CCC) was achieved by a combination of staff transfer and budget realignment. Over time, the range of services delivered has grown and the demand for many services has increased.
- 2.2 The Contact Centre Manager meets regularly with services to review the quality of the service delivered and to amend processes where necessary to improve the customer experience. The current operational arrangements do not, however, provide any mechanism for dealing with the impact of service failures on the Customer Contact Centre.
- 2.3 There have been occasions in the past where issues with service delivery have resulted in a sudden and significant increase in the volume of calls received. The Special Uplifts service is an example of this, where issues with the Service's capacity to meet demand has led to a sudden and short term increase in call volumes. On these occasions, the performance of the CCC can be significantly impacted and the Contact Centre Manager currently has no mechanism to quickly put in place measures to deal with the additional workload. The net effect is that the performance indicators for the CCC can be adversely affected – as reported to Committee on a number of occasions.
- 2.4 It is essential therefore, in order to maintain the high quality of service currently delivered from the CCC, that contingency arrangements are implemented which provide the Contact Centre Manager with a mechanism to quickly access additional resources to cope with increases in the volume of calls to be managed.

- 2.5 It is particularly important to address this issue prior to the implementation of the Council's new recycling initiatives, as approved by the Environmental Services Committee on 27 February 2008. Based on experience in other Councils, the introduction of alternate weekly collections will generate a significant increase in calls to the CCC until residents fully understand the new arrangements.

3. Operating Model

- 3.1 The new operating model will put in place the appropriate contingency measures to ensure that the CCC is able to respond to fluctuations in the volume of calls it is required to manage. The new arrangements will be based on the following principles:

- that the CCC will be fully funded by the Services it supports;
- that the services provided by the CCC will be governed by Service Level Agreements;
- that external partners such as MPC, Saltire and the NHS will be required to pay for their use of the CCC facilities; and
- that any staff located within the Contact Centre, delivering front line services to customers, must be managed within the CCC management structure.

4. Proposals

- 4.1 The Customer Contact Centre, where possible, forecasts variations in demand for front-line services and manages existing resources to deliver a consistent performance level. There are a number of options to procure additional temporary resources which can be called upon at short notice if demand increases more rapidly than planned or where a request for service is for a specific initiative lasting for a predefined period. These include:

- temporary transfer of staff from Services;
- the use of temporary (or agency) staff;
- the use of part time staff from the First Stop Shops or other areas within the CCC; and
- an 'overflow' arrangement with another Contact centre.

Circumstances will vary and each instance requires individual assessment, however all of these options can be utilised if required to ensure that the level of service delivered from the CCC is not adversely affected. It should be noted that agency staff would only be utilised in emergency circumstances.

- 4.2 It is critical that Elected Members have the reassurance that staffing levels will not continue to rise indefinitely and therefore it is proposed that, where additional temporary resources are required, a 'ceiling' of 10 FTE Customer Service Assistants (NLC4 £14,601 - £16,494) and 1 FTE Team Leader (NLC7 £17,820 - £21,189) is agreed.

5. Financial Issues

- 5.1 The total cost of these 11 staff, should all of the posts require to be filled, would be approximately £200,000 including on costs. It should be noted that these are temporary posts intended to cover 'spikes' in call volumes and that these staff would not be required when call volumes return to acceptable levels.
- 5.2 Efficient Government & Service Development have been awarded additional growth of £80,000 in the recent budget exercise to deal with additional resources and other

issues related to Customer Service provision. This is likely to be sufficient to deal with most peaks in service demand, however funding beyond this would be fully met by the service which required the additional temporary staff.

5.3 It is proposed to implement this new operating model with a new basis for recharging both our internal and external customers from 2008/09 onwards. The model will ensure a fair and transparent allocation of both direct and overhead costs. An agreed method of recharging each customer will be included in their Service Level Agreement.

5.4 It should be noted that Service budgets will only be impacted in the event of a service failure or other exceptional event which results in increased call volumes. It will be the responsibility of the Service involved to work with the Contact Centre Manager to anticipate and plan for such events wherever possible, and to agree the release of the required funding to cover the contingent cost.

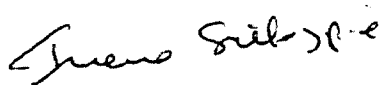
6. Corporate Considerations

6.1 The proposals contained in this report have been subject to consultation with the Head of Human Resources and the appropriate Trade Union representation prior to submission to Committee

7. Recommendations

7.1 The Committee is asked to:

- Approve the proposed operating model;
- Approve the use of additional temporary staffing resources as outlined in para 4 above; and
- Remit the report to the Policy and Resources (Human Resources) Sub Committee for its consideration.



Head of E-Government & Service Development