

Executive – 10 September 2009

REVENUE AND BENEFITS SHARED SERVICES PROGRESS REPORT

Report of Head of Customer Services

Statutory powers:

Local Government 1972 Section 101
Local Government Finance Act 1988 (Non Domestic Rates)
Local Government Finance Act 1992 (Council Tax)
The Social Security Contributions and Benefits Act 1992
The Social Security Contributions Act 1992

Financial implications: South West Regional Improvement Efficiency Partnership funding of £165,000 has been secured to facilitate better customer service for residents of the South Hams and West Devon. £63,000 of this will be used to offset the start up costs of the Revenue and Benefits shared service. The new Revenues and Benefits shared service will result in savings of approximately £350,000 per annum against the baseline budget. This will be shared between South Hams District Council and West Devon Borough Council, once the start-up costs of approximately £310,000 have been financed.

Purpose: To inform Members of the successful South West Regional Improvement Efficiency Partnership funding bid and to update the Executive on the progress so far of the Revenue and Benefit Shared Service project.

This report links to the following Council priorities:

- CP2 - Create The Conditions For The Growth And Maintenance Of Quality Economic Activity
- CP5 - Work With Others To Improve Access To Key Services
- CP6 - Improve core service performance in a cost-effective way

RECOMMENDATIONS

That the Executive note the report.

1 Introduction

1.1 The decision for this council to work in partnership with West Devon Borough Council to provide a shared Revenue and Benefits service was taken by both councils in December 2008. West Devon's services are currently contracted out to CAPITA.

1.2 At the time the decision was taken, agreement had not been reached with CAPITA on whether they would be willing to relinquish their contract with West Devon prior to the contract termination date of the 31st December 2009. Entering into a shared service arrangement at that stage of the financial year would have caused many problems. However, West Devon have now agreed an earlier termination date with CAPITA of the 30th September and the new merged service will therefore start on the 1st October 2009.

1.3 This report updates progress since December 2008 and sets out some of the issues which will need to be addressed in the coming months

1.4 In July, we learned that we had been successful, as part of a joint bid with West Devon, in obtaining government funding of £165k through the South West Regional Improvement & Efficiency Partnership (SWRIEP); details are set out below.

2 South West Regional Improvement Efficiency Partnership funding bid

2.1. SWRIEP was set up to drive innovation and ensure that information and knowledge is shared effectively between public sector bodies and support agencies within the region. The project for which we have obtained the funding is to improve the customer experience of our services and to enable both councils to take more services out into the community. This will compliment the new shared service by enabling us to provide improved communications to our customers. The funding will help us to:

- Set up 'South Hams Connect', similar to the recently introduced 'West Devon Connect'. This innovative scheme not only gives customers one point of access to the council's services but also to those of Devon County Council, NHS Primary Care Trusts, the Police and Fire Services together with various voluntary organisations, including the CAB, and CVS. The partnership will hold regular events throughout the year in various locations throughout the district. These will range in size, be held in village halls leisure centres, town halls, markets etc and will often be themed around a particular partner's service. The events will be timed to coincide with other activities already established within a locality, to increase the potential number of customers we can reach. The funding will pay for, amongst other things, 1 additional FTE for 12 months to allow SHDC to build upon the outreach events that we already hold. A very successful workshop with 17 of the partners took place in August and the first South Hams Connect event will be held on the 20th October 2009 at Quayside Leisure Centre in Kingsbridge.
- Introduce the South Hams 'Assert' system for processing new Benefit claims in West Devon. This system replaces paper claim forms, for some customers, with home visits and using electronic data capture. It has proved to be extremely popular in South Hams with customer satisfaction rating currently running at over 98% and claims being processed in just over 5 days.
- Use part of the funding to improve the experiences of our customers and to gain a better knowledge of the difficulties that customers in rural areas face in accessing services. One of the techniques to be used will be 'Customer Journey Mapping'. Customers will be helped to record their experience of accessing a particular service as it happens. In partnership with West Devon we hope to produce a 'rural access toolkit' which will help other rural councils and organisations across the country. The two council's Customer First policies will be harmonised and together with our complaints procedures re launched. We will extend the very successful call coaching techniques developed in South Hams Customer Services to other customer facing departments as well as to similar departments in West Devon. In addition the funding will enable us to provide enhanced customer service training for all front line staff.
- Provide a dedicated data communications link between South Hams and West Devon councils, which will greatly improve service delivery by our ability to rapidly share information with each other.

- Improvements to our telephone system, which will take the form of an upgrade to the current phone system and the purchase of additional software and equipment. Briefly the improvements will
 - Allow all incoming and outgoing voice calls to be recorded for training and coaching purposes;
 - Provide a new caller management system for the Customer Services group;
 - Provide the ability to route calls to remote home workers;
 - In connection with the communications link above; route calls to-and-from West Devon offices.

3 Revenues and Benefits Shared Service

- 3.1** Much of the work carried out by councils in relation to Revenues and Benefits is driven and governed by statute. It follows therefore that most of the work undertaken is common to both councils. Both councils are committed to providing excellent services based on 'lean system thinking' principles by increasing the amount of work carried out at the first point of contact. One of the first steps will be to analyse the current processes of both councils and adopt the best working practises from each.
- 3.2** The software systems used to deliver Revenue and Benefits are critical to service delivery. The two councils use different software and it is not intended to change them in the short term. The risks and costs associated with changing a benefits system are extremely high and are not necessary in order to deliver the anticipated savings.
- 3.3** The accommodation used by CAPITA to deliver the service is situated at The Quay in Tavistock. It is anticipated that these offices will not be needed in the longer term, with face-to-face access for West Devon's customers being provided at Kilworthy Park. However, ultimately any closure will be a decision for West Devon's Members to make. If and when The Quay is closed, staff will be predominantly based at Follaton House but with a significant number homeworking (see below). Some limited additional space in the Customer Services offices has become available at Follaton House following a recent reallocation of accommodation This will be utilised for any additional staff, with hot-desking to be used where appropriate.
- 3.4** Agreement has been reached with CAPITA for the purchase of various items of ICT equipment currently used at The Quay. The cost of this is £15,000 and is included in the set up costs.
- 3.5** Consultations with the CAPITA staff affected have been going on since December 2008. So far these discussions have been extremely positive. Of the 22 staff currently working for CAPITA at The Quay and the client unit, 18 are transferring to South Hams, and 4 are transferring to West Devon (in other capacities). At this stage it would appear that the spectre of compulsory redundancies has been avoided.
- 3.6** Since the retirement of the West Devon Client Manager, South Hams managers have been partly based at The Quay to cover the position on a rolling basis. This has provided an invaluable insight into how the service currently operates and has also provided the opportunity for regular contact with CAPITA staff on day to day issues.

3.7 Trials are currently taking place to enable the South Hams Visiting Officers to be based at home. Once these are completed the next stage will be to have a benefit assessor home working. The advantages of homeworking, for both staff and the council, have been well documented by organisations that have gone down this route. One of the obvious advantages is, that as most West Devon staff live in and around the Tavistock area, homeworking will greatly reduce the amount of travelling involved for them and consequently costs to the shared service.

3.8 It is proposed to share the cost of the new shared service in proportion to the total number of transactions for each council, although some costs, which are directly attributable to a council, will fall outside of this arrangement. For example, specific IT system costs for either the Academy or Northgate system. The current proportion of transactions is approximately 67% SHDC and 33% WDBC.

4 Conclusion

4.1 The new shared service delivery model will create economies of scale and a more robust service. It will build upon the best practices of the two authorities to further improve performance and customer service for both.

4.2 The successful application for funding from SWRIEP also provides us with a timely and additional opportunity to improve the service we provide to our customers.

Tracy Winser
Head of Customer Services

Executive Meeting
10 September 2009