

South Northamptonshire Council and Cherwell District Council

Joint Commissioning Committee

14 January 2016

A Business Case for a Joint Customer Service Team
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Report of Director of Operational Delivery

This report is public

The appendices to the report are exempt from publication by virtue of paragraphs 1, 2, 3 and 4 of part 1 of Schedule 12A of Local Government Act 1972

Purpose of report

This report presents the final business case following consultation for a joint Customer Service team across Cherwell District and South Northamptonshire Councils (hereafter “Cherwell” or “CDC” and “South Northamptonshire” or “SNC” respectively).

The report recommends the formation of a two way joint Customer Service team and in doing so seeks the Joint Commissioning Committee’s agreement for the staffing elements of the business case.

The proposal is part of the wider transformation programme across the two Councils.

1.0 Recommendations

The meeting is recommended:

- 1.1 To consider the responses to the consultation process with the affected staff and trade union representatives received as detailed in the consultation log (exempt Appendix 2) and from the Joint Councils Employee Engagement Committee (to be reported verbally), and determine whether any amendment to the business case is required as a result of them.
- 1.2 To note that the business case will be considered in respect of non-staffing matters by CDC Executive on 1 February 2016 and by SNC Cabinet on 8 February 2016.
- 1.3 To approve the staffing aspects of the final business case to share a joint Customer Service between SNC and CDC (exempt appendix 1), including determination of the voluntary redundancy request referred to in paragraph 6.5 and exempt Appendix 3, subject to consideration and approval of the non-staffing implications by CDC Executive and SNC Cabinet.

- 1.4 To delegate authority to the Director of Operational Delivery in consultation with the Chairman of the Joint Commissioning Committee to make any non-significant amendments that may be required to the business case following the decision by CDC Executive and/or SNC Cabinet.

2.0 Introduction

- 2.1 Following the adoption of a Business Case for joint working by CDC and SNC in February 2015 and the commitment to deliver the business case objectives as soon as is practicable, the three way transformation programme was reshaped to meet the needs of SNC and CDC pending a decision from Stratford-on-Avon District Council regarding its participation after the election in 2015.
- 2.2 Following the decision of CDC and SNC Councils in February 2015 to approve the final business case for developing the approach to joint working and the delivery of local authority services, all services at both Councils are now included on the policy framework for the consideration of shared working.
- 2.3 This business case sets out a proposal to establish a two-way Customer Service team between CDC and SNC. The business case is one part of a wider Customer Service transformation workstream focusing on delivering the technology that underpins the service, channel shift and business process change to ensure that as much of our first point of customer contact activity, (across both councils and all services) be undertaken online or the through the customer contact centre.

3.0 Report Details

- 3.1 The draft business case was endorsed for consultation with staff and unions by the Joint Commissioning Committee on 16 November 2015 having been previously been discussed and endorsed by the Transformation Joint Working Group. The final business case following consultation is attached as Appendix 1 of this report.

Proposal

- 3.2 The business case sets out the rationale for sharing a customer services resource that will deliver savings, facilitate improved customer access through channel shift and would allow additional partners to join in the future (either as part of a joint working partnership or as paying customers).
- 3.3 Combining the current Customer Services teams at CDC and SNC will provide an improved and strengthened service to assist the Councils in providing a high quality of service for business and residential customers, through a range of channels.
- 3.4 The vision for this joint operation is an effective and high performing customer contact team who deal with as many customer queries from all council service areas as possible. The delivery of this vision is a central part of the councils' transformation programme and it will ensure we can access further savings through channel shift and effective use of customer service resources, including freeing up technical and specialist professionals to undertake their roles. The team will also enable fluctuations in peak customer contact activity within each council and between both councils to be better managed.

- 3.5 Establishing the joint team will allow the Councils to begin a programme of consolidating, standardising and harmonising processes and procedures across all services which will allow as much first line customer contact as possible to be delivered either online or through the customer contact centre enabling the organisations to realise future savings.
- 3.6 The service is structured to both meet the strategic objectives of each Council and to address areas of common interest. The work will focus around the themes below:
- **A high quality frontline customer contact service:** Frontline customer queries dealt with at the first point of contact and a 'triage' approach that quickly refers technical or complex queries to the relevant professional;
 - **Channel Shift:** Substantial channel shift, to facilitate online customer service requests and transactions;
 - **ICT Systems:** Technology to underpin this transformation.

Financial

- 3.7 The financial implications associated with the business case are set out in detail in Section 13 of the attached final business case.
- 3.8 The business case is not based on achieving savings through a reduction in Customer Service staffing levels alone as in the longer term savings will be driven by channel shift and identifying all staff and services within CDC and SNC Councils who have a customer interface function which can be relocated into the Customer Service team. However, by consolidating the current teams into a shared service the councils will see an initial cost saving of £61,000 split as follows:

Team	Council	2016/17
Joint Customer Service Team (Cost Savings)	CDC	£40,500 (4%)
	SNC	£20,500 (6%)
Total Savings	CDC/SNC	£61,000 (4.5%)

- 3.9 There will be some transition support required, particularly in SNC's Forum Atrium function to ensure the team is fully operational from day one whilst the harmonisation of processes and systems is delivered. This means that SNC total saving in 2016/17 will be reduced by approximately £11,000.

Decision making timetable

- 3.10 The timetable and recommendations arising from the democratic process for both Councils is outlined in the table below:

Date	Committee and Council	Decision
14/01/2016	Joint Councils Employee Engagement Committee	To be reported verbally.
14/01/2016	Joint Commissioning Committee	To be determined.
01/02/2016	CDC Executive	To be determined.
08/02/2016	SNC Cabinet	To be determined.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The business case represents a major milestone in the revised transformation programme across CDC and SNC. The proposed joint team would provide an improved and strengthened Customer Service function for each district.
- 4.2 The service is structured to both meet the strategic objectives of each Council and to address areas of common interest. Creating a joint shared customer service team will increase resilience and will allow the pooling of resources and expertise in order to improve services.

5.0 Consultation

All affected staff within the two Customer Service teams.	A range of feedback given, with very few changes.
Unison Representatives from each Council.	Positive feedback given with no changes.
Transformation Joint Working Group	Endorsed business case for consideration by JCC.
Joint Commissioning Committee	Endorsed business case for staff consultation.

- 5.1 Both Councils are committed to maintaining a strong, positive and inclusive approach to industrial relations. With this in mind, it is important to explain at the outset that consultation with the affected staff and trade union representatives takes place prior to members' consideration of any final business case or restructure so that members can take account of any views/representations and /or issues as part of their decision making process.
- 5.2 The manner of consultation helps to reassure the affected staff and trade unions that they do have a voice that will be heard by those who are responsible for making decisions. The timing, extent and approach adopted towards consultation are an important part of the process, particularly as the intention is always to facilitate a meaningful consultation dialogue.
- 5.3 Consultation with all employees in the scope of the proposed business case to create a two way shared Joint Customer Service team and the Unison representatives both Councils commenced on Friday 20 November 2015, and ran for a three week period until Friday 11 December 2015 at 5pm. The consultation log attached therefore includes the responses to the consultation between these periods of time. The only changes to the business case arising from the consultation process relate to relatively minor matters of accuracy relating to job descriptions.
- 5.4 We would like to thank the staff who volunteered this information during the consultation process and those who helpfully enabled us to update the business case.

- 5.5 During the consultation period, various forms of consultation have taken place to ensure that each employee and the recognised trade unions have had the opportunity to engage in the process, and to express their views/representations on behalf of their members, notably through:
- Employee briefing meetings were held to ensure that as far as possible, all of the affected staff received the same message at the same time;
 - Meetings with individuals;
 - Meetings with groups;
 - Maintenance of an active consultation log;
 - Personal issues dealt with by email or one to one discussion.
- 5.6 The consultation log of comments made by the affected staff and/or their trade union representatives, and the response of management is attached at Appendix 2 for members' consideration.
- 5.7 The consultation process has generated a range of responses. In total, 34 questions seeking clarification on particular issues or simply making statements were received and responded to. A number of other individual and personal matters were also responded to by email. The consultation log responses received are summarised in the table below:

Category	No of Responses	Comments
Assimilation and Ring – Fence	2	Responded to questions – no changes.
Business Case	2	Responded to questions – no changes.
Job Descriptions and Roles	7	Q5, 6 and 8 relate to the Customer Service Officer role. Some amendments made to the job description. Q9 error highlighted in Improvement and Development Officer job description – now amended
Other Minor Issues	3	Responded to questions – no changes.
Proposed Working Arrangements	5	Responded to questions – no changes. The precise working arrangements will be finalised when the new management team is in place.
Service Structure	6	Q24 - relate to the Customer Service officer role. Some amendments made to the job description. Q24 – relate to the structure, some amendment made.
Terms and Conditions	9	Responded to question – no changes.

6.0 Implications

Financial & Resource Implications

- 6.1 The detailed financial implications are set out in section 13 of the business case. However in summary, the proposal will deliver a £61,000 (4.3%) saving on staffing costs per annum. The savings are achieved predominantly through moving to a single manager and removing temporary posts currently in place.
- 6.2 However, this is based on the inclusion of the Customer Services Improvement and Development Officer which is a new dedicated resource for supporting, shaping and developing opportunities for further customer service improvements. Excluding this additional investment, the proposal would deliver a 7.6% saving on staffing costs.
- 6.3 Based on a cost allocation model the proposal results in the following a saving of £40,500 for CDC and £20,500 for SNC. The cost allocation model is based on the anticipated level of resource required for each Council moving forward.
- 6.4 There could be redundancy or pay protection costs as a result of implementing the proposal. During the consultation process, three members of staff requested that they be considered for voluntary redundancy. Two of the requests are from members of staff who are to be assimilated into the proposed structure and since the redundancies would not be in the interests of the service are not recommended for support.
- 6.5 The third request at Appendix 3 is from a member of staff who has been ring-fenced to a position which is perceived to be lower than their substantive post and could be at risk of redundancy through the implementation process. It is felt that this voluntary redundancy would be in the best interests of the service and it is therefore recommended that it is accepted. The redundancy costs are included within the implementation costs as outlined in section 15 of the business case and should be split equally between the two Councils, with the costs being funded through earmarked reserves.

Comments checked by: Paul Sutton, Head of Finance and Procurement,
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Legal Implications

- 6.6 As with all two way shared services this proposal, if implemented, will be covered by the section 113 agreement (as amended) entered into between the two Councils.
- 6.7 Decisions regarding human resources cannot be made by CDC Executive or SNC Cabinet. Human resource elements of the business case are considered by the Joint Commissioning Committee. The business case must be approved by CDC Executive and SNC Cabinet in respect of non-staffing matters and by the Joint Commissioning Committee in respect of staffing matters before the Councils can be deemed to have approved the business case.
- 6.8 A redundancy situation arises where the requirement of the employing council for work of a particular kind to be undertaken are expected to cease or diminish as a result of the proposed changes.

Comments checked by: Kevin Lane, Head of Law & Governance,
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HR Implications

- 6.9 It is the traditional approach of CDC and SNC to consult staff and the trade unions on a detailed staffing structure arising from any business case for change, prior to consideration by members. This has the effect of enabling members to consider the views and any representations of the staff and trade unions before making their final decision on any such proposals, and ultimately ensures that the Councils meet their statutory obligations to undertake a meaningful process of consultation prior to a decision being made.
- 6.10 This model has the advantage of allowing staff to identify whether their existing jobs will be deleted; to consider the detailed job descriptions of any proposed new roles and to identify whether there are any opportunities for promotion or other career aims to be met. They can see whether their hours of work might alter, whether their salaries will change (up or down), or whether their work location will change. They are able to comment upon the proposals in the knowledge that members will give due regard to their comments before making a decision.
- 6.11 The expectation is that existing staff would continue to be employed by their current, respective authority under the pay, and terms and conditions of that employing organisation. New and revised job descriptions have been devised in order to standardise responsibilities across the two organisations. The new job descriptions have been through the job evaluation process at each organisation.
- 6.12 The implementation process will be in accordance with the joint Organisational Change policy.

Comments checked by: Janine Dean; HR Business Partner
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Equality Implications

- 6.13 An Equality Impact Assessment initial screening assessment has been carried out and it has been determined that the proposal does not have any adverse impact on equality groups and as a result a full impact assessment and associated action plan is not required. This is included as part of the business case in Appendix 1.

Comments checked by: Caroline French, Corporate Policy Officer, 01295 221586
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7.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

Cherwell, An Accessible Value For Money Council

South Northamptonshire - To Enhance Performance

Lead Councillors

Cherwell - Councillor George Reynolds, Deputy Leader;

South Northamptonshire - Councillor Rosie Herring, Portfolio Holder for Community Engagement and Wellbeing

Document Information

Appendix No	Title
1.	Joint Customer Service Business Case – Exempt
2	Final Consultation Log with actions – Exempt
3	Request for Voluntary Redundancy - Exempt
Background Papers	
None	
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