

## **RECOMMENDATIONS TO CABINET 5 NOVEMBER 2013 FROM THE MEETING OF THE RESOURCES AND PERFORMANCE PANEL 29 OCTOBER 2013**

### **RP65: CABINET REPORT: CUSTOMER INFORMATION CENTRE (CIC) – REVIEW OF OPENING HOUSES**

In presenting the report, the CIC Manager explained that the advancement of technology gave the CIC the opportunity to reduce costs by decreasing the opening hours of the Contact Centre in line with other departments based in King's Court. The proposal would provide on-going savings of £20,517 per annum, contributing to the overall efficiency savings programme.

The Panel was informed that the CIC opened for telephone enquiries from 8 am until 6 pm Monday to Friday and from 9 am to 12 pm on a Saturday morning. It was noted that the CIC was resourced by staff working shift patterns on a rota basis to cover the extended hours. Out of hours support for emergencies was provided by the CCTV staff 24/7, 365 days a year.

The CIC Manager reminded Members that the CIC operated out of King's Court, Downham Market and Hunstanton offices, responding to face to face, and telephone, email and website enquiries from customers on a range of services.

Members were reminded that the decision to extend the CIC's opening hours was taken in 2005 in line with the 'Access to Services' programme of projects, which included the refurbishment of the ground floor of King's Court to accommodate the CIC and the transfer of the customer contact aspect of the larger services (Planning, Environmental Health, Revenues and Benefits) to the CIC. The extended opening hours equated to the telephone service being open to the public for an extra 10.5 hours a week in comparison with the rest of the King's Court office based services.

The CIC Manager explained that advice and information on services such as e-billing were in the final stages of development and would soon allow customers to sign up to access their accounts online through an authenticated service. Reducing the time the Contact Centre was available to take calls would dovetail well with the strategy to encourage more people to access online services and to make the most of the investment in developing this technology.

When extended opening hours were originally introduced, it was envisaged that opening on a Saturday morning would reduce the pressure on a Monday morning which traditionally was always the busiest time of the week. In reality, this had not been the case and Mondays continued to be significantly busier than other days of the week, equating to around 25% of the incoming weekly calls and 30% of the face to face customers.

In conclusion, the CIC Manager explained that the CIC received approximately 50 calls per week during the extended opening hours, including Saturday mornings. These enquiries covered a full range of services, most of which were available on the website. The reduction in opening hours would

enable the CIC to agree some flexible working requests and would save 25 hours of staff time, equating to a financial saving of £20,517 per annum.

In response to questions from Councillors Mrs Smeaton and Loveless relating to the elderly/retirement age group accessing the Council's services online, the CIC Manager explained that the comments made would be taken on board. The CIC Manager further explained that the elderly/retirement age group were most likely to telephone the Council during the day rather than at the beginning or end of the working day.

In response to questions from Councillor Wareham, the CIC Manager explained that there were a number of options available to customers when the telephones were on answer phone as set out below:

- The office is closed and an emergency direct dial line available.
- A message could be left and would be responded to when the CIC was next open.
- Direct the customer to the Council's website.

Following further questions from Councillor Wareham on opening hours being from 9 am to 5 pm instead of 8.45 am to 5.15 pm and further savings being achieved, the CIC Manager explained that the core opening hours were 8.45 am to 5.15 pm Monday to Thursday and 8.45 am to 4.45 pm on a Friday. The report being presented to the Panel that evening did not offer a wider remit to consider the proposed hours suggested by Councillor Wareham.

In response to a question from Councillor Wright, the CIC Manager explained that those in employment would need to make arrangements to contact the Council during a lunch break.

Councillor Langwade asked how cover was arranged if employees were absent due to sickness or an emergency. The CIC Manager advised that absence occurred on both a daily and weekly basis and would be dealt with accordingly by moving staff around to provide the necessary cover. Callers to the CIC would be encouraged to access the Council services online.

Councillor de Winton commented that he supported the proposal detailed in the report and that it provided an opportunity to achieve savings.

Councillor Cousins concurred with the comments made by Councillor de Winton and asked if there were any issues arising from the implementation of the proposal that a report be presented to the Panel at a future meeting. In response, the CIC Manager informed Members that she would be happy to report back to the Panel in 6 months' time.

In response to questions from Councillor Collop on the proposed implementation date and the staff opinion on the changes, the CIC Manager advised that the dates did not quite line up. She added that staff would be returning from maternity leave during November. The implementation date of 1 December would therefore allow for consultation and to communicate the proposal effectively. Originally the resource had been found within the CIC budget. The staff affected would welcome the revised opening hours.

In response to questions from Councillor D J Collis, the CIC Manager advised that the workload was in peaks and troughs as outlined below:

- March/April/May were busy periods as the Council Tax Bills were issued.
- Calls increase during the summer months with enquiries relating to pest control and noise nuisance.
- November and December appeared to be quieter months.
- January was a relatively busy period dealing with enquiries on bin collections over the Christmas holiday.

In response to questions from Councillors Mrs Smeaton and Wareham, the CIC Manager explained that emails were normally answered within 48 hours, however, if it was a complex matter the response could take up to 10 days.

**RESOLVED:** (1) That the Panel support the recommendation to Cabinet as follows:

In accordance with the increasing opportunities for customers to self-serve, that Cabinet agree the proposal to reduce the CIC opening hours to 8.45 am – 5.15 pm Monday to Thursday and 8.45 am – 4.45 pm Fridays and that this change is implemented from the 1 December 2013.

(2) The CIC Manager present an update report on the review of CIC opening hours to the Panel in 6 months' time.

RP66: **CABINET REPORT: COST REDUCTION PROGRAMME**

In presenting the report, the Deputy Chief Executive explained that the Council set out a Financial Plan 2012/2016 in February 2013 that presented a 'balanced budget' through to March 2016 based on the use of general fund balances over the period. Over the past few weeks the Government had made announcements on future funding which had a significant impact on the longer term plans of the Council.

The first announcement dealt with the funding settlement for 2014/2015 and 2015/2016. The Council would have its 2014/2015 funding settlement reduced from £10,450,100 to £10,338,000 – a reduction of £112,000. The figures for 2015/2016 showed funding reducing to £8,767,000 - £1,264,780 less than was included in the current Financial Plan. The second announcement made by Government was that £913,000 of the New Homes Bonus for 2015/2016 and future years may be paid over to the Local Enterprise Partnerships.

The Deputy Chief Executive advised that the report set out a number of changes to the Financial Plan that were currently underway that would produce significant levels of net savings although there would remain a need to continue with a cost reduction programme. An outline of future programmes was set out for Members to consider.

The Panel was advised that the current Cost Reduction Programme consisted of a mix of projects and operational changes, most of which were familiar to Members. All of the savings would have been introduced by in house teams and were summarised at section 2.1 of the report.

The Deputy Chief Executive explained that the outcome of the reduction in costs, offset by the identified additional costs, would be that through the use of general fund balances the Council would be able to fulfil its current Financial Plan of holding council tax at £111.97.

Members were informed that as at 31 March 2016 the Council would be in a position where projected spending levels of £15.8m remained higher than the combined income from Council Tax and Government funding of £14m and a gap of £1.8m would need to be addressed. It therefore made the continuation of a cost reduction programme an absolute necessity.

It was noted that over the past five years the Council had constantly challenged Members and Service Managers to seek efficiencies in its operations and year after year the challenge had been met. Since 2009 the cost reduction programmes had produced savings totalling £5.7m pa providing each year the opportunity for the Council to set 'balanced budgets' through the use of fund balances generated from savings made in earlier years. The savings of £2.2m identified as part of the current Cost Reduction Programme would raise the total achieved since 2009 from £5.7m to £7.9m. The intention would be to continue with such arrangements as the Council approached the next challenge of reducing net spending by a further £1.8m pa.

The Deputy Chief Executive explained that it was proposed that the next phase of the Cost Reduction Programme would take the shape of a series of cross service reviews with officers working on certain areas of spending together with work that was already underway. The initial set of reviews would include:

- Channel Shift/Service Transformation.
- ICT Rationalisation.
- Asset Rationalisation.
- Procurement.
- Printing Services.
- Providing Housing.
- Growing the Business Rates.

In conclusion, Members were informed that any opportunity to gain further savings would be taken as it arose. For example, as part of the Budget preparations for 2014/2015 that would be carried out during November/December 2013 any potential savings identified in service budgets would be taken. The Council would also continue the current programme of expanding its contracted service delivery on behalf of other public bodies and examining potential cost reductions through shared posts and services. The mix of programmed reviews, on-going work programmes and the preparation of a revised Financial Plan would form the initial phase of the new Cost

Reduction Programme. Progress would be monitored in Monthly Monitoring Reports and reviewed in detail in 12 months.

The Chairman, Councillor Beal asked for clarification on car parks – third party work referred to on page 7 of the Agenda. The Deputy Chief Executive explained that the Borough Council operated the car parks for North Norfolk Council which provided the Council with a substantial amount of income. If the Council was good at a particular service, it would look to sell it to other Councils.

Councillor Cousins asked if the Borough Council was looking at ways to encourage new business in the area and focussing less on building houses. In response, the Leader, Councillor Daubney explained that it was not a competitive situation and that the Government had driven the house building programme. To promote economic growth and attract new business, housing had to be provided and the two initiatives should be developed together. He added that the Local Enterprise Partnerships new impetus was to encourage business growth and prosperity in particular areas. The money gained from the New Homes Bonus would assist in providing the required infrastructure in order to attract business growth. The Borough Council were members of two Local Enterprise Partnerships, the Greater Peterborough and Cambridge and the New Anglia.

Following further comments from Councillor Cousins on providing assistance to smaller businesses, the Leader, Councillor Daubney explained that the Borough Council did work with the County Council to provide assistance. Reference was also made to the Small Business Lending Programme.

The Leader, Councillor Daubney advised the Panel that he was a member of the European Board of the Local Government Association.

Councillor de Winton referred to page 9 – Procurement and asked for the total amount spent locally. In response, the Deputy Chief Executive explained that the Council spent £20m locally, which included the Refuse Contract.

Following further comments from Councillor de Winton relating to printing costs, he referred to the current amount of printing relating to agendas, etc and stated that Councillors should be provided with a tablet to access and view such documents.

Councillor D J Collis stated that Norfolk County Councillors were provided with an ipad.

With regard to the comments made relating to procurement, the Chief Executive advised that it was important for the Council to strike the correct balance and that the authority could be smarter in the way and what it purchased. He explained that the Council was at the end of a procurement exercise to appoint experts to review the procurement procedures within the whole organisation.

In response to questions from Councillor Mrs Smeaton regarding the Print Room undertaking work outside the Council, the Deputy Chief Executive explained that the Printing Services Project Group would look at the printing

machines, etc to see if the service provided value for money.

Councillor Mrs Smeaton asked why a post was being deleted within the proposed merger of the in house Audit and Fraud Team. In response, the Deputy Chief Executive explained that the Senior Auditor would be retiring from the authority in January 2014. The Council had benefitted from his IT specialist skills since 2006, but this had been something that a second tier Council and Audit Team of this size could not usually deliver. The opportunity was therefore being taken to review the requirements of the Council going forwards. It was proposed to merge the Audit and Fraud Teams and downgrade the Senior Auditor Post and increase the hours from 30 to 37 and create a full time auditor post at the same time as achieving a saving. With the merger of the Audit and Fraud Team, this would provide an enhanced service.

Following questions and comments from Councillor Gourlay relating to reduced service for grounds maintenance and street cleansing and the impact it would have, the Deputy Chief Executive explained that the Council had looked at grounds maintenance, but it was difficult to sell the service to an organisation in the private sector as a local authority company would need to be established.

The Chief Executive added that there were opportunities to provide services to other public bodies and explained that there was potential to sell Council services to schools/academies. He added that the planting programme was now being changed from annual bedding plants to perennial planting. The Panel was informed that with a budget gap of £2.2 m in 2016/2017 and further reductions in future years, it was not possible for the Council to continue to provide the same level of service.

Councillor Collop commented that it was important for savings to be achieved but some of the Council's assets, if sold, could not be replaced and this was a practice that could not be continued. He added that the officers had identified savings without much Member input. Councillor Collop expressed concern that Council Tax could not be raised above the rate of inflation. He explained that he received calls from constituents within his Ward on how some Council services were not undertaken as often as on previous occasions. Councillor Collop stated that he would be raising this issue at the next Cabinet Scrutiny Committee.

Councillor Loveless referred to pages 11 and 12, the savings that had been achieved to date. He commented that there appeared to be a significant amount of staff reductions. In response, the Deputy Chief Executive explained that staff numbers had reduced by 100 as part of the Cost Reduction Programme.

Councillor Loveless stated that the staff had coped extremely well with the challenges presented and was therefore a positive sign that the Borough Council was working hard in order to be efficient.

In response, the Leader Councillor Daubney explained that a number of jobs had been lost as a result of the Cost Reduction Programme, but that the Council had to look at new ways of running an efficient organisation. He

advised that a number of services had not continued and gave an example of the Arts Centre now being run by a Trust.

Councillor Mrs Smeaton stated that every Council had to participate in a Cost Reduction Programme exercise as Government grants were being reduced.

**RESOLVED:** That the Panel support the recommendations to Cabinet as follows:

Cabinet is asked to note the impact of the current cost reduction programme and to recommend to Council that further work be carried out as outlined in the report.