



Haringey Council

Special Corporate Committee

On 21 July 2011

Report Title: Integration of Benefits, Local Taxation and Customer Services

Report of: Julie Parker, Director of Corporate Services

J. Parker 13/7/11

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Wards(s) affected: All

Report for: Non Key Decision

1. Purpose of the report

- 1.1. To provide an overview of the proposed integration and resultant structure of Benefits, Local Taxation and Customer Services
- 1.2. To seek agreement from the Special Corporate Committee to the recommendations set out in section 4 below.

2. Introduction by Cabinet Member (if necessary)

- 2.1. Not applicable

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1. The proposals in this report reflect the changes agreed in the 'Rethinking Haringey' report and the council's budget strategy.
- 3.2. A council priority is to drive change, improving quality-customer focussed, cost effective services achieving high levels of satisfaction.

4. Recommendations

That Members:

- 4.1. Note the overview of the current and proposed shape of the service set out in Appendices 2, 3 and 4.
- 4.2. Consider and agree the rationale and key elements of the proposed integration.
- 4.3. Following the completion of consultation it is recommended that this proposal is the subject of a further report to the Corporate Committee for a final decision.

5. Reason for recommendation(s)

- 5.1. To ensure that the Corporate Committee is briefed on the proposals to date and any comments can be incorporated into the final proposals that will be presented to the committee.

6. Other options considered

- 6.1. Not applicable

7. Summary

- 7.1. The integration of Benefits, Local Taxation and Customer Services will provide both a phase one approach to implementation of the revised customer contact operating model and a tactical solution that focuses on handling customer enquires at the first point of contact.
- 7.2. The proposed structure identifies our future requirements as an integrated service and will encourage a joint front and back office approach to customer resolution and satisfaction. A main aim will be to reduce hand-offs, waste and duplication. Furthermore effectiveness improvements will be sought in the business support activities of IT, administration, training and control. Through focussed leadership and direction the structure will deliver a confident, learning, supportive and disciplined culture.
- 7.3. The proposed structure seeks to realise the savings required as a result of the following:
 - The integration of Benefits, Local Taxation and Customer Services incorporating management reshaping, delayering and reduction.
 - The closure of Hornsey and North Tottenham Customer Service Centres.
 - The reduction of internal calls to the switchboard.
 - The reduction of call centre hours from 8 – 6 to 9 – 5.

7.4 The proposed savings to be secured from the proposals is £1.798m over 2011/12 and 2012/13.

7.5 The proposed FTE posts reduction is 317 to 231.5 with a net reduction of 85.5 FTE posts. The current level of occupied posts is 274.4 FTE. The table below provides a breakdown of the occupied posts against the new proposed structure layers, the proposed post numbers and the voluntary redundancies already agreed. There has been a number of voluntary redundancy requests that will reduce the number of compulsory redundancies required.

Level	Current Occupied Posts	Current Occ No.	Proposed Posts	Prop. No.	VR Agreed	Diff.
1	Head of Service	1	Head of Service	1	0	0
2	Deputy Head	2	Assistant Head	4	0	2
3	Managers Team Leaders	39	Service Managers	21	6	-12
4	Support Officers Senior Officers Officers Assistants	232.4	Service Officers	205.5	23	-3.9
Total		274.4		231.5	29	-13.9

8. Financial Comments

8.1. The Chief Financial Officer has been consulted in the preparation of this report and comments that the savings set out are consistent with those agreed by Cabinet and are essential in achieving the budget strategy agreed by the Council.

9. Head of Legal Services Comments

9.1. A decision by the Committee with implications for the staffing establishment of this service can only be taken in principle pending the outcome of statutory consultation with the trades unions and consultation with the staff affected.

9.2. The decision in principle must pay due regard to the authority's public sector equalities duties, including consideration of the equalities impact assessment.

9.3. The carrying out of this proposal must comply with the Council's procedures concerning restructuring. The position of staff who may be displaced as a result of this reorganisation will need to be considered under the terms of the Council's procedures regarding redeployment and redundancy.

10. Head of Procurement Comments

10.1. Not applicable

11. Equalities & Community Cohesion Comments

11.1 For each of the savings proposals an Equalities Impact Assessment (EqIA) has been completed.

12. Consultation

12.1 The formal period of consultation has commenced and during this period meetings are held with all staff and trade union representatives.

12.2 Consultation with service users and other stakeholders also forms part of the service delivery EqIA process.

13 Use of appendices /Tables and photographs

13.1 Appendix 1 sets out the rationale and key elements of the proposals.

13.2 Appendix 2 sets out the current structure in Benefits and Local Taxation.

13.3 Appendix 3 sets out the current structure in Customer Services.

13.4 Appendix 4 sets out the proposed structure.

14 Local Government (Access to Information) Act 1985

- Not applicable

Benefits, Local Taxation and Customer Services Integration

1.0 Background

Haringey Council has and is facing significant budget reductions. We want to minimise the impact of these cuts across front line services but this will not be easy. We are aiming to prioritise the things that matter to local people by re-designing services so that they cost less and work better, concentrating on getting right outcomes, customer satisfaction and enabling people and communities to become self reliant.

Customer contact and customer satisfaction is a major factor in defining the quality and reputation of Haringey Council and the current staff within Benefits, Local Taxation and Customer Services manage a significant number of customer transactions through personal contact, telephone contact, electronic contact and back office processing. The customer contact and channel strategy has set some challenging commitments that require us to redesign those services that are key to the customer experience. Benefits and Local Taxation customer interactions account for at least 60% of the traffic which interacts with the Council through Customer Services.

The Benefits and Local Taxation division has previously undertaken a review under value for money. The recommendation from this review is that the links between BLT and Customer Services need to be improved and this was endorsed by the Department for Work and Pensions. Following analysis of the support functions review diagnostics it is apparent that there are high levels of resources allocated to managing the initial stages of customer contact, including assessment of eligibility of services across the council. In March and April 2010 an exercise was undertaken to understand the pattern of contacts, the channels used and the level of avoidable contacts. A three tier model of customer contact across the council has been developed that will increase customer query resolution at an early stage.

The integration of Benefits, Local Taxation and Customer Services will provide both a phase one approach to implementation of the revised customer contact operating model and a tactical solution that focuses on handling customer enquires at the first point of contact.

The proposed structure identifies our future requirements as an integrated service and will encourage a joint front and back office approach to customer resolution and satisfaction. Our main aim will be to reduce hand-offs, waste and duplication of effort and eliminate the inevitable customer frustration that follows.. Furthermore effectiveness and efficiency improvements will be sought in the business support activities of IT, administration, training and control. Through focussed leadership and direction the structure will deliver a confident, learning, supportive and disciplined culture.

2.0 The Key Elements and Rationale of the Proposals

The foundation of the structure is supported by the following key elements:

2.1.1 To ensure that performance is maintained and improved.

The structure reflects the attention required to key performance measures and customer expectation and satisfaction.

2.1.2 Creation of a supporting, learning and developmental environment.

Benefits, Local Taxation and Customer Services employ a large number of staff who require training, development and support to meet personal objectives, customer objectives and ultimately, business objectives. Generic job descriptions across the service will enable managers, officers and assistants to widen their breadth of knowledge and skills over differing functions. This provides a flexible approach to the management of resources to meet customer requirements and also provides staff with the opportunity of lateral movement and promotion opportunities.

The proposals focus on a career-grade approach for staff development and advancement. A career route would exist from assistant to senior levels.

The proposals detail an integrated Service Support Team, which have specific responsibilities for training and performance improvement. This would take the form of coaching and support for individual and divisional requirements. Further responsibilities for Support and Development Officers would include policy interpretation, formulation and implementation, maintenance of a quality management system, supporting channel shift activities, key deliverables from the customer contact and web strategy, close partnership working with internal and external customers and supporting the approach to community hubs.

2.1.3 A focus on matching and excelling customer demand and expectation.

The new structure supports a flexible approach to resourcing demands placed on the service and clearly focuses on processes that are of value from a customer point of view. Customer resolution at the first point of contact with minimised hand-offs, delays and waste will be the primary aim. This can take the form of front and back office staff working together.

2.1.4 Improved leadership and accountability.

The structure proposes that senior management be strengthened to ensure the complexities of the business are managed in a disciplined manner through clear objectives and accountability.

The proposals reflect best practices in devolving responsibility through clear lines of strategic and operational management and providing a framework for continuous

improvement. As part of the reshaping, the service has streamlined the spans of control by reducing the numbers of managers and layers.

2.1.5 Managing Work Demand

The proposal for a Workdemand Officer to support the operational management team by accurately matching staffing to projected workload patterns, planning schedules, and maintaining accurate staffing data for the Contact Centre (CC) using the Council's workforce management system (Shift Track). The role is common to Call Centers, as it allows the management team to focus on the day-to-day management of staff including quality and coaching. The post was successfully trialed in the CC for 9 months during 2011-12. The expertise provided by the role enabled the Shift Track system to be fully utilised for the first time since it was installed in 2007, resulting in an increase in performance and played an intrinsic part in the CC achieving its performance targets last year. This role is expected to be enhanced to manage demand across all the activities of the service.

2.1.6 Managing financial risk

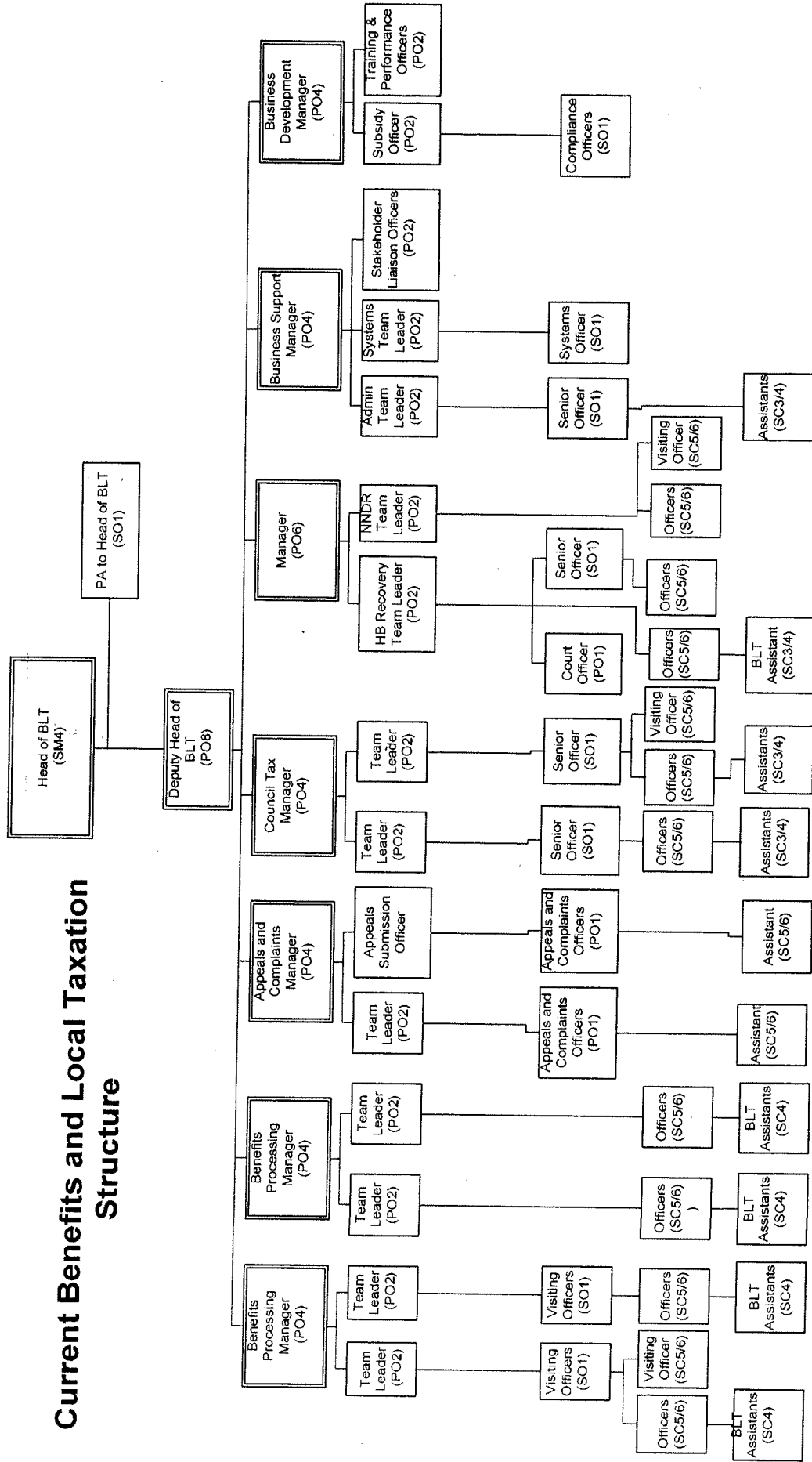
Demand for our services continues to increase as a direct result of the economic downturn and our benefit and revenues caseload has continued to consistently rise over the last two years. Haringey has experienced the sixth highest national caseload increase in 2010/2011.

Benefit payments make up a substantial amount of any Local Authority expenditure. Over £290 million pounds is paid out in benefit to Haringey residents on an annual basis. There is a considerable financial risk to the Council if our subsidy claim to the DWP is not managed well. Risks to subsidy repayment include a failure to maximise the subsidy claim, an inability to support our subsidy claim at audit stage, under or over claiming and subsidy penalties where consistent errors are uncovered.

Following a successful trial in 2010/2011, the proposal is to create a new 'Compliance and Control' team, to ensure that our subsidy repayments are maximised, The team will undertake focussed quality assurance checks of benefit claims and where required, the team will make recommendations for improvement. Recommendations will range from individual feedback to Officers, new training proposals, competency based Officer testing and, in some cases, recommendations to review all similar claims of any given type where a significant risk to subsidy repayment has been identified.

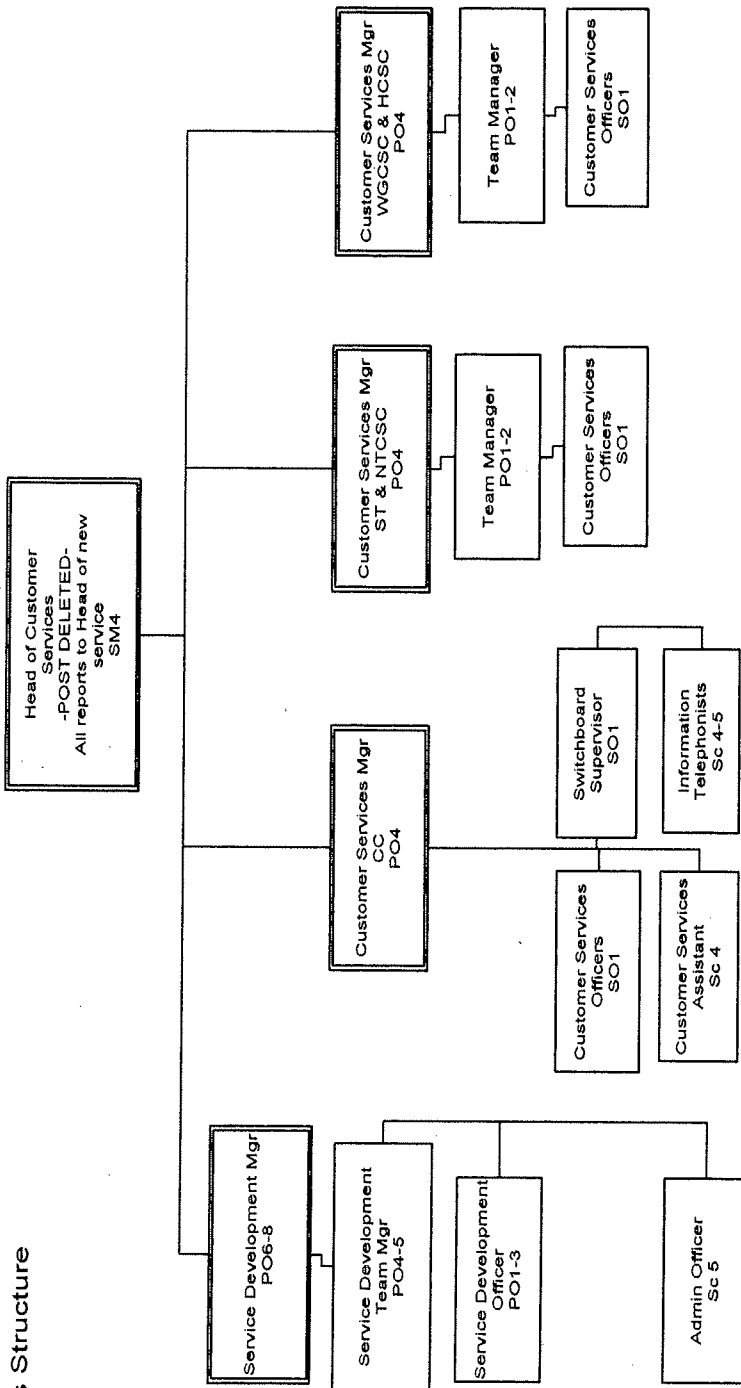
The Compliance Team will also monitor and action 'control and exception reports' across the service in order to maintain the integrity of the database and ensure compliance to legislation and regulation is maintained, taxpayers are billed at the earliest opportunity and overpayments of benefit are minimised.

Current Benefits and Local Taxation Structure



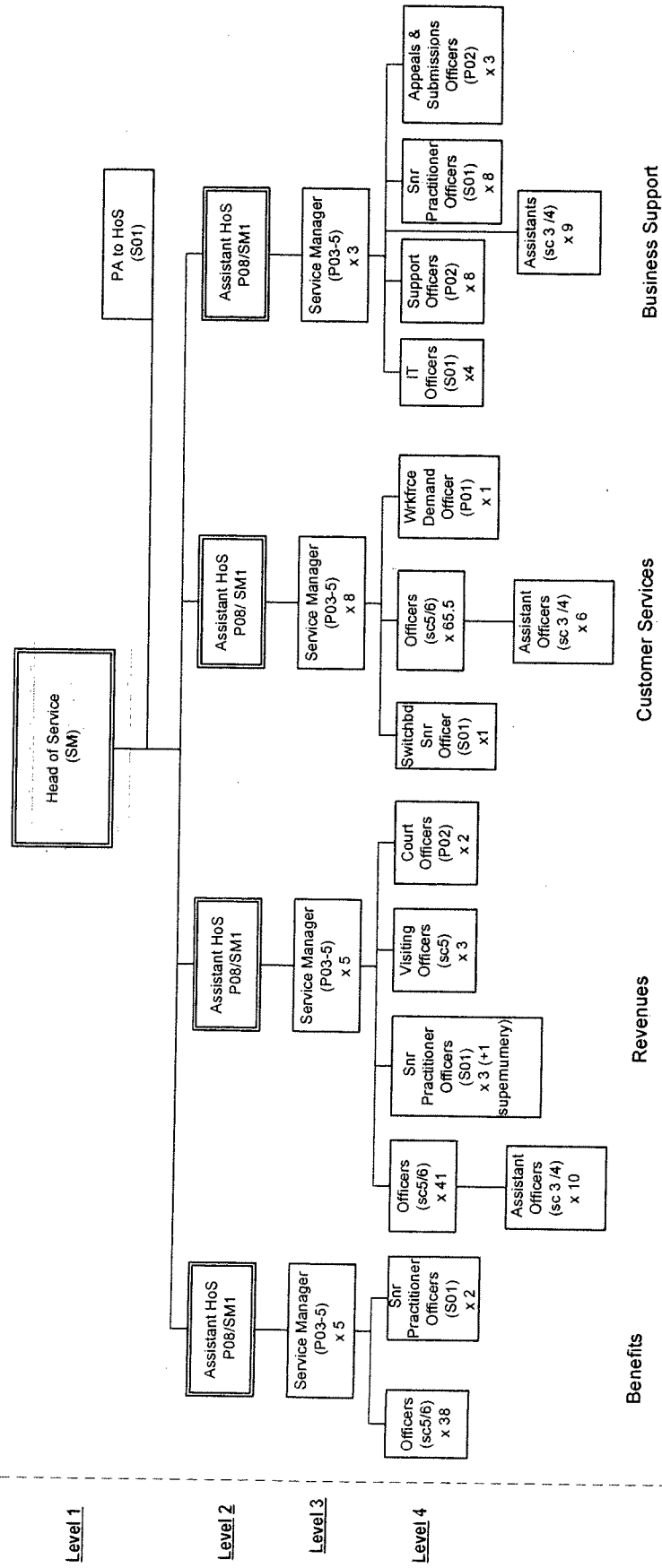
Appendix 3

Current Customer Services Structure



Appendix 4

Revenues Benefits & Customer Services Proposed
Integrated Structure 2011/12



(Draft - Indicative Grades)