



AGENDA ITEM:
SUMMARY

Report for:	Finance and Resources Overview & Scrutiny
Date of meeting:	4th September 2012
PART:	1
If Part II, reason:	

Title of report:	Shared and Outsourced Services Update – Customer Service Centre and Gateway
Contact:	Neil Harden, Portfolio Holder for Residents & Regulatory Services Author/Responsible Officer: David Gill - Group Manager, Partnerships, Policy and Communications
Purpose of report:	To Update Scrutiny Committee on progress with the Customer Service Centre and Gateway market test, part of the Shared and Outsourced Services project
Recommendations	<ol style="list-style-type: none"> 1. That Members note progress on the project to market test the Customer Service Centre and Gateway project 2. That Members comment on the work undertaken on the project and the future aspirations for the Council's Customer Services and web operations
Corporate objectives:	Supporting the 'Dacorum Delivers' strategic change programme
Implications:	<u>Financial</u> The cost to the Council of developing or acquiring the client skills required following implementation are unknown at present.
'Value For Money Implications'	It is envisaged that if the service were to be outsourced there are unlikely to be savings made in the first three years of the contract but that a value for money review (VFM) would be conducted in year four with the aim to reduce the cost to the Council over the remaining years of the contract. <u>Value for Money</u> Current central government legislation has identified that local

	authorities should seek to provide value for money for citizens by exploring partnership arrangements to deliver services.
Risk Implications	Risk Assessment completed on 25 th April 2011 detailing risks relating to the Shared and Outsourced Services project.
Equalities Implications	Equality Impact Assessment has been carried out as part of the Shared and Outsourced Services Cabinet Decision. A further EqIA would need to be completed prior to any further recommendations to Cabinet
Health And Safety Implications	Whilst the project is internal there are no immediate Health and Safety issues. If the project leads to transfer of staff the health and safety implications will need to be incorporated into transfer documentation.
Consultees:	None specifically relating to this report. The Invitation to Tender document has been widely consulted.
Background papers:	Cabinet Report, 24 th May 2011 – Shared and Outsourced Services Project Cabinet Report, 13 th September 2011 – Web and Customer Access Strategy
Glossary of acronyms and any other abbreviations used in this report:	CRM – Customer Relationship Management PQQ - Pre-Qualification Questionnaire CSU – Customer Service Unit ITT – Invitation to Tender

Background

1. In May 2011 Cabinet approved a programme of Shared and Outsourced Services which included the market testing of the Customer Service Unit and website. The Customer Service Centre and Gateway project has four elements which are: the Customer Service Centres at Tring, Berkhamsted and Hemel Hempstead; the telephone Contact Centre; the DBC website; a CRM system
2. The Customer Service Unit (CSU) is the first point of contact for 260,000 callers and 65,000 face to face visitors each year. The unit regularly resolves more than 90% of customer transactions and enquiries for the 14 services they manage in the CSU. Customer Service Representatives are multi-skilled and are trained to be able to resolve the majority of the customer's issues at first contact.
3. A project group has been developing the market test led by the Corporate Director of Performance, Improvement and Transformation. A Pre-Qualification Questionnaire (PQQ) outlining the scope of the project was developed and issued in February this year. An evaluation exercise was undertaken to match the returned PQQs against the Council's procurement requirements and the Vision and Priorities. Following that a shortlist of potential bidders has been developed.
4. Since March 2012 significant development work has been undertaken to ensure that the service that is being market tested is future-proofed against the Council's business needs. Group Managers have outlined the developments that are expected in individual services and that has been matched to the Council's Web and Customer Access Strategy as well as the

Council's aspirations for future customer interaction. A Staff Reference Group made up of staff from the CSU has been helping to sense-check the work as it progresses.

5. In May Cabinet Performance Board approved the appointment of specialist help to develop the service and associated documents in preparation for the market test. Paul Twine was appointed and has led the development of the Invitation to Tender (ITT) for the market. The ITT has been developed in line with the Council's procurement and legal governance regulations and was released to the market on 31st August.
6. The closing date for bidders is 2nd October. It is anticipated that an evaluation of the bids against a pre-approved evaluation criteria will be undertaken in October with a recommendation being made to Cabinet at their meeting in November 2012.

Presentation

7. Paul Twine will present Scrutiny Committee members with a summary of the process so far and an outline of the aspirations and developments expected for the service in the future.
8. Committee members had expressed a wish to have greater detail about the risks associated with the project. The presentation will include a section about this aspect of the project along with an indication of the assumptions made relating to the future resourcing of the service.