



More for less

meeting the efficiency challenge on the front line

Overview

Why is customer contact important? When a citizen contacts the council, a lasting impression is made and the cost to serve is largely established. The question is: Can we resolve the query at this first point of contact? Or will this contact result in a series of interactions which could be both frustrating for the customer and costly for the organisation?

Without an understanding of what causes your customers to contact your organisation, how can you be sure you are using resources efficiently or meeting customer needs effectively? After all, understanding customer needs and behaviours is critical to success in commercial enterprise. Similarly, understanding why “citizens” or “customers” contact you can make a significant difference to your capacity to deliver efficiencies without undermining services.

The problems and costs that result from unnecessary or preventable contact were largely hidden from view until we started to record and report avoidable contact as part of the National Indicator set. NI 14 may no longer be a mandatory indicator but as the lessons outlined in this paper demonstrate, local authorities’ efforts to measure and analyse avoidable contact have proven to be both illuminating and helpful in identifying efficiency savings and service improvements. In many cases, an understanding of customer contact has become a fundamental element of council transformation programmes.

Sir David Varney estimated that 40 to 60 per cent of customer contact in the public services created ‘failure demand’, or work which added little or no value to each customer or public service agency. Surrey County Council estimates that every unnecessary or preventable six minute telephone call handled by their a contact centre creates up to 20 minutes further work for staff in the council’s back office.

Moreover, an understanding of who contacts the council, for what service and how (i.e. over which channels) is a precondition for moving customers to cheaper channels without risking service standards or excluding people from services.

Fortunately, local councils have generated substantial insight and know-how about collecting and using customer contact knowledge as part of their efforts relating to NI 14. Although this National Indicator has now been withdrawn, the problem of preventable contact still remains and therefore still needs to be understood and addressed – particularly as we face increasing financial pressures and therefore have to find efficiency savings.

This paper seeks to summarise the lessons learnt by councils who have made progress in understanding and reducing preventable contact, and highlights the benefits they have gained.

In a challenging economic environment and with a new government committed to reducing the national deficit (including plans to save £1.2 billion from local government this year; freeze council tax and public sector pay; limit housing benefit, not to mention the implications of the forthcoming Comprehensive Spending Review), local authorities and their public sector partners face significant financial constraints for the foreseeable future.

In these circumstances, local authorities and their partners are under increasing pressure to find ways to identify and realise savings while continuing to deliver high quality services at the front line. Understanding how and why customers contact your council offers a way of achieving both these goals.

The full scale of the economic challenge is becoming clear. This is not an easy time for councils who continually strive to be efficient while at the same time providing people with first class public services. Not everyone in local government will agree on the scale or timing of public expenditure cuts; but they are coming, and how we deal with them will be a sign of how responsible we are...

Without reform, frontline public services cannot be protected. However, councils are already the most efficient part of the public sector. Councils know that departmentalism and fragmented funding silos cost billions. Real savings that do not damage the frontline are only available if we radically reform the way we run government. It would be wholly unacceptable for citizens to suffer because public sector organisations have put defending their bureaucratic empires before defending public service.

**Cllr Dame Margaret Eaton,
Chairman, Local Government Association**

Purpose

Who should read this paper?

Local authorities who are seeking ways to achieve more with less, and those officers tasked with understanding customer contact and reducing that which is wasteful and of no benefit to the citizen and costly for their organisation to handle.

Local authorities use a variety of terms to describe this including 'preventable contact'; 'avoidable contact'; 'unnecessary contact' and 'failure demand'.

What contact is 'avoidable', 'preventable' or 'unnecessary'?

Contact can be deemed unnecessary or preventable where the customer would have no need to make contact had:

- service delivery met the customer's reasonable expectations, or expectations of the nature and timescales of the service had been properly set
- the original request or query been fully addressed and fulfilled first time
- information provided by the council been user friendly, clear and comprehensible.

A businessman...would probably tell you that the moments when their business was facing difficulties was when they were at their most inventive, their most creative and when they came up with brilliant new ways of doing business in order to provide better customer service. That's how government ought to think.

[Successful businesses] don't think to themselves that the reduction of costs, which they do on a permanent basis, is going to make their service worse. They say it's going to make their service to their customers better. We need some of that thinking in government.

David Cameron, Speaking on Radio 4, Sunday 2 August 2009

Why has this paper been written?

Since the introduction of avoidable contact as a National Indicator in the summer of 2008, local authorities have achieved significant successes in capturing and understanding the causes of avoidable contact and using this intelligence to reduce it. Local authorities have developed a great deal of learning and know-how along the way. These lessons should now be shared with the wider sector.

Although the National Indicator has now been withdrawn, the underlying problems that the measure sought to address have not gone away. In fact, many local authority practitioners have commented that having avoidable contact as a National Indicator helped the front office and the back office to work more effectively together and to think and talk about the customer's experience. Without a mandatory requirement to drive this collaboration, making the case for analysing customer contact is going to be all the more important.

Moreover, the Total Place report *Places, people and politics: Learning to do things differently* (available from www.localleadership.gov.uk/totalplace/learning/total-place-learning-history/)¹ has highlighted the strategic and social consequences of poor contact management.

One of the key findings from the Total Place programme is that local public services are typically fragmented and poorly coordinated and this generates a lot of unwanted contact for the customer – with potentially serious consequences for more vulnerable customer groups. Partly as a result of their experience, vulnerable groups can become disillusioned with public services and disengage, increasing their risks and making an impact on their lives.

¹ Places, people and politics: Learning to do things differently
Local Government Leadership Centre, May 27 2010

Learning from experience

What is this paper based on?

The report is based on several sources:

- research and production of a series of case studies documenting individual local authorities' successes in reducing avoidable contact
- interviews and discussions with a range of local authority practitioners including a roundtable event held in April 2010
- an online survey of local authorities' experience of measuring and reducing avoidable contact conducted during April and May 2010
- content and feedback published by practitioners on the Local Government Improvement and Development's (formerly IDeA) Community of Practice on avoidable contact.

Why is this subject important?

Public service organisations can learn a lot from their customers. An understanding of what causes a customer to contact you can be a vital insight into their requirements and your organisation's current performance. It can provide evidence to help drive work to improve both the customer's experience and reduce costs for the organisation.

Each and every contact with customers and citizens represents an opportunity for

public services agencies to learn, and this document summarises what a number of local authorities have learned and how they did this.

Understanding customer contact is critical for ensuring that public services deliver the right service, to the right person at the right cost. It is an essential piece of customer insight and management information which should be routinely used alongside other sources of customer insight to understand who contacts you, for what service, how and why.

Key Questions, and Required Insight

Who?

- socio-demographic data and customer groups

What?

- data on services contacted and non take-up

How?

- data on channels used and preferences

Why?

- data on the reason for contact

Contacting the council costs the customer time; energy and money. It also costs the council to deal with this contact; capture and log the information and set in motion the activities that will deal with this request.

Sometimes, it can be a frustrating experience. In many cases these contacts are avoidable or preventable – that is ‘unnecessary’ from the customer’s perspective.

Furthermore, frontline staff who deal with angry and distressed customers on a daily basis find it demoralising and frustrating as they feel caught in the middle, which in turn can depress productivity. Capturing insight on customer contact offers you the opportunity to witness your organisation from the outside-in by providing insight into how the customer sees you.

Why is the data useful?

Measuring customer contact and people’s reasons for getting in touch brings substance and currency to the otherwise abstract concept of ‘customer focus’ by introducing quantitative evidence of the customer’s (external) experience of services into (internal) discussions about improvement.

Given the imperatives to find significant financial savings going forward, data on the causes of customer contact provides a clear link between the customer’s interaction with services and the operational efficiency of those services. This is an obvious place to find savings as well as to improve the customer’s experience.

Local authorities have indicated that data on the causes of customer contact:

- is relatively straightforward to collect, and offers a readily available and cost-effective means of identifying potential improvements
- offers an indication of both opportunities for quick wins and where the deeper, more fundamental issues in service delivery lie
- helps to instigate dialogue and join up thinking between the front and back offices and senior management
- offers a win-win-win situation for organisations by improving the customer experience; raising staff productivity and morale, and delivering efficiencies
- enables officers to initiate and sustain improvements without the need for expensive consultants
- provides quantitative evidence for initial, outline business cases.

Approach

Collecting data

Many of the local authorities interviewed for this paper followed the advice included in the original Local Government Improvement and Development Practitioner Guidance published 2008, and commented that much of that guidance still stands. However, several variations arose in the approaches taken by local authorities and these are highlighted below. In summary:

- while some councils collected their sample manually, some used automated systems e.g. Tameside Metropolitan Borough Council which has adapted its CRM
- many councils – particularly those that are sampling manually – aim for a sample that is statistically robust. For a mainstream service the sample size was over 1000 (i.e. similar to the Residence Survey)
- in some cases, data is captured only by staff at the front office – typically in the contact centre. However, in many cases profiled here the service areas themselves have also engaged in data collection
- many councils analyse data that is collected in ‘real time’, but there are also examples of councils conducting retrospective analyses of data based on symptoms that indicate preventable contact is occurring.

The key point is that there is no single right way to capture this data and councils can develop a process that works best with their staff; their IT systems and service configurations.

Real-time sampling – manual

Contact centre staff at Babergh District Council created a ‘lotto sheet’ for logging calls that were avoidable (see figure 1). These are now used throughout the organisation. If a contact was deemed avoidable, the officer then completed a form describing the cause of the avoidable contact and recording further details identifying the contact (see figure 2). The form is entitled ‘Short Term Pain! Long Term Gain’ in order to encourage staff to spend the time recording details.

Poole Borough Council collected samples manually, using paper forms. The council decided to concentrate their sampling efforts during one week per quarter, and selected the week based on how typical or representative it was. The sampling task was undertaken by both the customer service centre and by individual services, with each collecting approximately half of a service’s sample. Fourteen service functions also carried out their own sampling.

Figure 1. Babergh District Council 'Lotto Sheet'

Name: BDB SOUTHGATE		Associated Service: MONEY MATTERS		Period From: 2/2/09	To: 6/2/09
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80
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141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160
161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180
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541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560
561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580
581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600

Totals	
Total Interaction	42
Avoidable contact-Telephone	8
Avoidable contact-Email	1
Avoidable contact-Post	1
Avoidable contact-Face to face	1
Complaints -Add C to source (e.g TC)	2
Avoidable contact - Internal	1

Comments(Any details relevant to avoidable contact recorded above e.g themes or trends)

25-28 NOR reminder has incorrect telephone number to Valuation Office.

Continue overleaf if necessary

Source: Babergh DC, 2009

Figure 2. Babergh District Council form for logging causes of avoidable contact

A		B		C		
1	Short Term Pain Long Term Gain ☺					
2	Name:	Team	Date			
3	Lotto Sheet Ref	The Problem / Cause			Contact Reference	
4	77	A brief description of the cause of the avoidable contact . (Example) Caller did not understand how much rent they still have to pay, as it was not clear on the Benefits letter.			This can be any reference that will help us to identify the case at a later stage. (Name or CT Ref) HBCTB45744	
5						
6						

Source: Babergh DC, 2009

Real-time sampling – CRM system

Tameside Metropolitan Borough Council captures customer contact data using its custom-built CRM system. The CRM system processes 350,000 unique contacts per year and captures a range of data including postcode; house number; person; service and channel; transaction type. It also records whether the contact is avoidable or not. The process of recording avoidable contact typically takes only about 10 to 15 seconds.

East Herts Council logs contact data using the GovMetric tool, including details of the service, channel and whether the contact was necessary or not. If it was logged as avoidable contact there is a choice of five categories to list it against, and a free form text box for adding notes. (see figure 3 below)

An alternative approach to sampling contacts is to look for symptoms of avoidable contact and focus investigations there. For example:

- Colchester Borough Council began by comparing the total number of calls logged in its telephone system against the number of service requests logged in its CRM system and found that 60 per cent of calls did not result in a service request. Staff then took a sample of call recordings and notes associated with the calls that did not generate a service request and analysed the typical causes. This analysis of avoidable contact is part of a wider Fundamental Service Review which has identified a total of £450,000 worth of savings in its council tax and revenue department, to be delivered over three years
- the London Borough of Southwark took a representative sample of complaints relating to housing repairs, including complaints about roofs; leaks and water

Figure 3. East Herts Council records data by service, channel and 'avoidable' type

The screenshot shows the GovMetric interface for East Hertfordshire District Council. At the top, it displays the GovMetric logo and the user's session information: 'ehbackoffice from East Hertfordshire District Council' and 'Logout Home Page'. The breadcrumb trail indicates the current path: 'Last Interaction: Telephone > Housing > Avoidable' with a timestamp of '25/Jun/2009 14:06:37'. The interface is organized into several sections: 'Channel' with icons for Telephone, E-mail, and Post; 'Service' with buttons for Benefits, Council Tax, Environmental Health, Housing, Licences, Planning & Building Control, Parking, Waste & Recycling, and Other Services; 'NI14' with buttons for Avoidable and Unavoidable; and 'Avoidable Cause' with a dropdown menu listing options like Unnecessary Clarification, Poor Signposting/Call Transfer, Repeat Contact, Progress Chasing, and Premature Closure. A 'Next' button is located to the right of the dropdown menu.

Source: East Herts Council / GovMetric 2010

The London Borough of Southwark combined its 'back to front' analysis – tracking all avoidable contact arising from a complaint – with an analysis of the costs and has uncovered over £2 million of unnecessary costs arising from preventable contact (see figure 5 below).

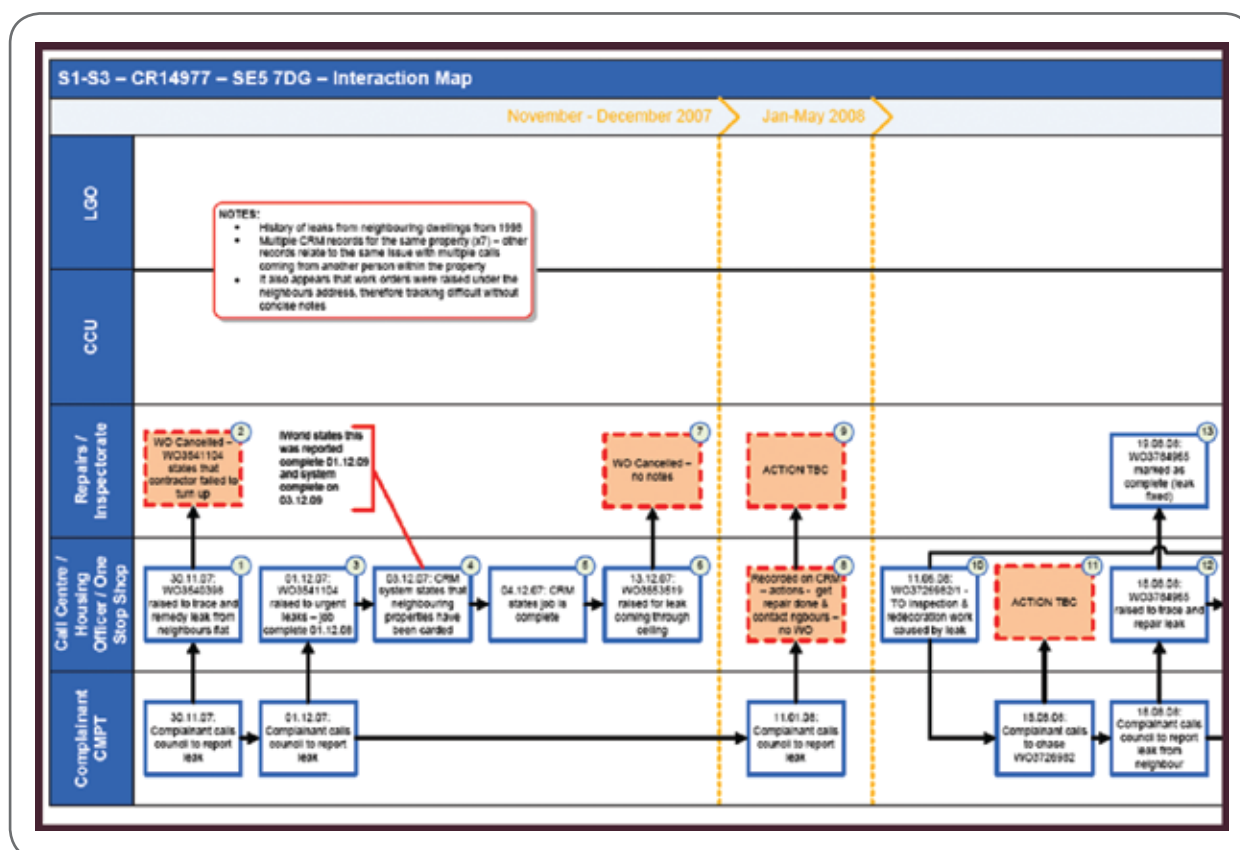
Taking action

Local authorities are implementing a range of activities to understand and then reduce avoidable contact. These include:

- proactively setting customer expectations regarding the nature and timing of service delivery
- re-engineering processes
- improving information flow to enable joined-up working both across different internal operational areas and with partner organisations
- improving the clarity of the information provided upfront to customers.

The initiatives resulting from measuring avoidable contact usually support and contribute to broader improvement programmes already underway at the council.

Figure 5. Customer interaction map from the London Borough of Southwark



Source: London Borough of Southwark /Aiimi, 2010

The paragraphs below summarise a range of typical improvements to service delivery following an analysis of preventable contact.

Expectation setting

Setting customer expectations at the first point of contact regarding the nature and timing of the requested service can make a significant contribution to reducing avoidable contact. By clearly informing the customer when to expect service delivery and what it will comprise or when to expect a reply to their query, we can help reduce follow-up calls (which in turn reduces work for front office then back office staff). However, this requires the front and back office to work collaboratively, as well as to agree, and put in place good business and performance management processes to support the promised delivery.

Information checking

Application forms from customers are often incomplete, do not have the required supporting documentation or include errors. Local authorities then need to contact the customer to rectify the information, leading to further cost and correspondence as well as slowing the outcome for the customers. East Herts Council has reduced preventable contact and made savings by introducing a passport style application-checking process whereby a trained customer advisor reviews and checks the form with the customer highlighting errors and/or omissions and fixing them before accepting the form.

Improving correspondence and leaflets

Through measuring avoidable contact, a number of local authorities have discovered that the letters and leaflets being sent out have often confused customers, leading them to contact the council for clarification. By improving both the format and presentation of information, often working closely with the communications team, and using plain

English, a number of councils have reduced the number of calls from customers seeking clarification. An example of 'before' and 'after' notification letters from Colchester Borough Council can be seen in Appendix A.

Increasing expertise in the frontline

To increase the likelihood that the customer's request or query can be satisfactorily dealt with the first time the customer contacts the council, authorities are training and up-skilling frontline staff to ensure they have the knowledge and understanding of the back offices operations they represent. Therefore staff on the frontline can effectively deal with the enquiry and the citizen gets the correct advice or service they need at the first point of contact.

For example, the London Borough of Southwark's Housing Repairs team has commissioned work to improve the relationship and interaction of technical officers in the repairs services with the customer contact centre and other parts of the borough and their suppliers, by improving processes and IT systems. The borough is also launching a training programme for contact centre staff to ensure they understand the repairs service process and system in order to prevent the generation of duplicate works orders.

Improving online information

Many councils have discovered that a significant number of preventable contacts are caused by customers first trying to find the information they are seeking online on the council's website but failing to do so. Investing in a better web service can therefore reduce the need for citizens to make further contacts to get the information or service they need.

Council websites can also be a useful information resource for customer service

advisors and intermediaries by providing a single up-to-date source of information about services and partner organisations.

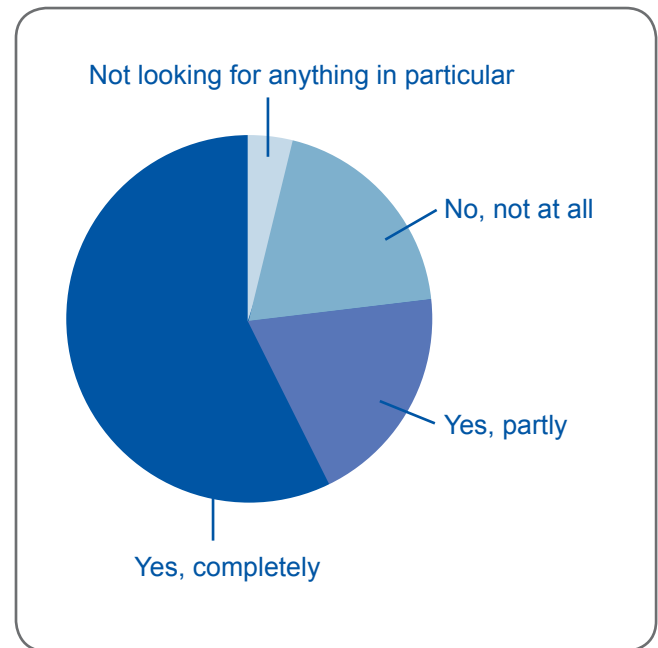
The Society of Information Technology Management (Socitm) works closely with councils to improve their websites by providing advice and guidance on good practice. They also carry out a regular reviews of councils' websites to assess how easy they are to navigate and whether specific transactions can be carried out successfully. The Society publishes an annual survey called Socitm *Better connected* which ranks all council website on a four star system, where four stars is excellent.

Better connected 2010 is based largely on an analysis of the annual survey of the 433 local authority websites in England, Wales, Scotland and Northern Ireland that has been carried out since 1999. In 2010, 46 other public sector sites were also assessed, including fire and police services, Passenger Transport Executives, Registered Social Landlords and a range of other government and third sector bodies. Only 11 sites (3 per cent) were rated as 'excellent'.

Through a separate activity, the *Website takeup service*, Socitm monitors customers' usage of, and satisfaction with, council websites, using a pop-up survey offered to one in five visitors to the websites. The survey runs continuously and 130 councils currently subscribe to the service. 25-45,000 completed surveys are received from council website visitors each month.

Figure 6 is based on data from the website take up service. It indicates that 21 per cent of customers that seek information from local authority websites do not find what they are looking for.

Figure 6. Did you find what you were looking for today?



Source: Socitm Website Take-Up Service April 2010

According to Socitm's analysis, the costs of this web failure can be substantial.

Table 1. Cost of web failures

	Failures (average)	Cost of failure (£2.82 per failed visit)
Shire County	27,615	£78,000
Shire District	7,140	£20,000
London Borough	27,293	£77,000
Met District	28,474	£80,000
Unitary (E)	21,410	£60,000
Unitary (W)	14,196	£40,000
Unitary (S)	17,510	£50,000

Source: Socitm Website Take-Up Service April 2010

Local authorities can take a much more customer-focused approach to their websites and therefore be more successful in meeting their customers' needs by:

- working with citizens to better understand the kind of content customers are looking for on the website
- making their website easier to navigate
- carrying out user testing
- offering an effective search function.

Offering customers automated self-service

By using IT systems to automate forms processing, councils can reduce paper use and remove manual handling thereby preventing errors and delays and offer customers 24/7 self-service. For example, fixmystreet.com offers functionality enabling customers to report, view, or discuss local problems like graffiti; fly tipping; broken paving slabs, or street lighting. The information is then passed to the appropriate local authority.

Improving information sharing and collaboration between departments

Measuring avoidable contact data has revealed blockages and barriers preventing information flowing across the organisation. This can result in delays and errors in service delivery. Councils have addressed this issue by mapping contact points, hand-offs and information needs between service functions and boundaries. For example, Poole Borough Council has taken steps to ensure that its customer service staff; back office staff; communication officers and the web team collaborate closely to ensure information is up-to-date and accurate.

As a result of its work to understand customer complaints and what can be learnt from this analysis, London Borough of

Southwark's Housing Repairs Service has commissioned a work stream to improve the relationship and interaction of technical officers in the repairs services with other parts of the borough and their suppliers, by improving processes and IT systems.

Redesigning services

Analysing preventable contact data can also lead to fundamental redesign of services. For example, following an initial analysis of avoidable contact and an in-depth analysis of housing repairs complaints data, the London Borough of Southwark's Housing Repair Service is embarking on a fundamental redesign of the service which is projected to deliver £500,000 in efficiency savings in the next two years. The programme is based on Southwark's discovery that 76 per cent of the interaction relating to a service request that culminates in a complaint is avoidable (if the service was delivered right first time), and 83 per cent of the total cost that arises as a consequence is avoidable.

Benefits

Local authorities have highlighted a range of hard and soft benefits resulting from their work to understand and then reduce avoidable contact. As well as providing evidence for business cases for multi-year transformation programmes, local authorities collecting this data have also discovered 'quick wins' – actions that they can readily take that deliver some immediate savings or benefits. These quick wins offer an early demonstration of the value of measuring avoidable contact to the wider stakeholder group.

For example, following their analysis of avoidable contact data, Huntingdonshire District Council discovered that the time spent dealing with unsolicited sales contact (calls and emails) to the call centre each year equated to over 0.5 FTE.

By registering with the Telephone Preference Service and revising their approach to dealing with the contact that they continue to receive the council has seen an 83 per cent reduction in this type of contact.

Hard benefits

Reducing avoidable contact can produce several types of efficiencies, including:

- cost reduction from process re-design: by streamlining processes and removing steps and activities that have little or no value, authorities have achieved process efficiencies between the front and back office operations
 - East Herts Council discovered that about 20 per cent of applications to join the housing register suffered from either errors on the form, or incomplete data or documentation – resulting in the form being sent back to the customer. East Herts estimated that the costs of correcting the problem and returning the application were approximately £5 per application. To eradicate the problem, the council has introduced a new process whereby reception staff check housing applications before accepting them and sending them to the housing department
- cost reduction from channel shift: by improving information services available online, authorities have increased the number of interactions supported by the web thereby reducing the number of more costly face-to-face and telephone contacts
 - by enabling customers to apply for free school meals online, Tameside MBC has improved the speed and accuracy of the

process. Moreover, each self-service application via the Internet now costs 6p to process end to end. A face-to-face application costs £9.13 and a telephone application costs £1.34

- revenue generation resulting from a better understanding of the customer's motivation in contacting the council and proactively offering relevant online services
 - for example, Surrey County Council Registrar's Department recognised that visitors to their web pages were seeking to purchase duplicate copies of certificates. Surrey CC now offers this service online. In the first four weeks of operation the online service generated an extra 285 transactions. These additional transactions, coupled with the reduction in back office costs, are worth about £50,000 per annum
- making more effective use of resources: by identifying avoidable calls and taking action to prevent them occurring, councils can free up time and capacity across the organisation
 - for example, Surrey County Council has found that a six minute avoidable call typically results in a 20 minute back office process. Surrey CC estimates that for every full-time employee (FTE) they can remove from the contact centre (by reducing avoidable calls); they can free-up or redeploy 4-5 FTEs in the back office.

Soft benefits

Local authorities also highlighted a range of 'soft' benefits arising from understanding and then reducing avoidable contact. Achieving these softer benefits is often a precondition for the realisation of the harder benefits outlined above. These include:

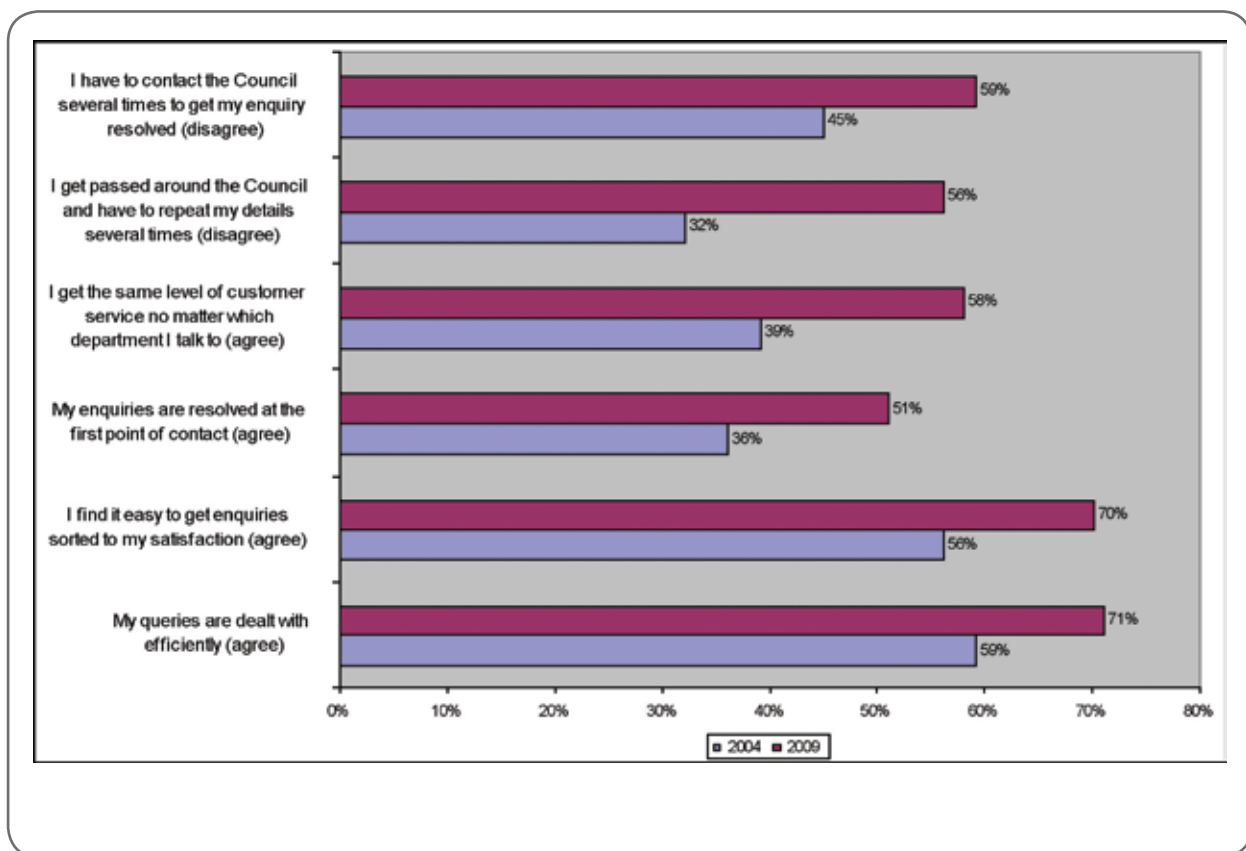
- improvements in customer satisfaction levels resulting from removing the need for customers to repeatedly contact the council to carry out their business, thereby minimising the resultant stress and frustration for both customers and staff. (see customer satisfaction statistics from Poole Borough Council, figure 7)
- improvements in the relationships between the front and back office, and with partners, as a direct result of sharing the evidence that data on avoidable contact provides, which in turn leads to better informed discussions and collaboration
 - for example, Scarborough Borough Council's customer services team used the data to establish service standards with the back office to improve the information provided to customers. The service areas now provide fuller and more up-to-date information to customer services to help advisers set customer expectations at the first point of contact. For example, a customer service advisor will explain to a caller how they can now book a date for a bulky collection using a self-service form on the web and 'live' information is now passed from the cleansing teams to customer services with information about missed bins and other collection issues
- improvements in organisational learning resulting from the raised awareness of the potential contribution that understanding customer contact can make across the

organisation. This helps get senior support for cross-organisational work including investment in training; information capture and management and resource planning

- for example, Surrey CC has achieved £325,000 per year in savings since beginning to measure avoidable contact in 2007 as a direct result of the evidence that avoidable contact provided
- growth in an organisation’s capacity to instigate service transformation and sustain continuous improvement without requiring expensive external support. For example, East Herts Council’s avoidable contact work is managed and driven by its Transformation Officer, without requiring support from outside consultants.

As part of its customer satisfaction surveying, Poole Borough Council consulted customers asking them whether they agree or disagree with statements such as “My enquiries are resolved at the first point of contact” (see figure 7 below). Percentage figures for 2009 are in purple, with 2004 figures shown in blue for comparison. This illustrates how efforts to improve customer service can simultaneously deliver both efficiencies and an enhanced customer experience.

Figure 7. Customer satisfaction figures at Poole Borough Council



Source: London Borough of Southwark /Aiimi, 2010

Making the business case

To make a business case for measuring and reducing avoidable contact local authorities need to provide estimates on the following:

- the costs of collecting and analysing the data
- the costs of implementing improvements suggested by the analysis and the estimated savings
- the costs of the current 'as-is' operation verses the 'to-be' operation
- the benefits, including efficiency savings; capacity gains; customer benefits and organisational development.

For example, East Herts Council estimated that measuring and analysing avoidable contact in its housing department took between 10 and 12 person days (during a three months period), and as a result the authority identified £38,000 worth of efficiency savings. This represents just one service in a district council.

By tracking the process end-to-end, the London Borough of Southwark calculated that the total avoidable cost arising from a complaint to its housing repairs service typically amounted to £3,224 (see London Borough of Southwark case study) and estimated that they could save approximately £500,000 per annum were they to reduce avoidable contact by 16 per cent.

Challenges

As with any new idea, efforts to measure and reduce avoidable contact have encountered several challenges. These include:

- seeing it as an additional task, or as a distraction from the real job
- not understanding the benefits to the business and the customer
- seeing it as interference by the front office into the back office, etc.

However, local authorities have enjoyed many successes in overcoming these challenges. Here follows a brief description of several of the key challenges faced, and the steps some local authorities have taken in response to deal with them.

Understanding the concept and agreeing a definition

It is difficult to measure avoidable contact without staff having a good sense of what an avoidable contact looks like and there being agreement about a definition. Many local authorities report that the very term 'avoidable' is often confusing, and some prefer to use other simpler terms such as 'preventable' contact.

Successful local authorities have overcome this challenge by:

- training staff involved in measuring avoidable contact, and repeating and refreshing this training over time to

establish the concept

- providing lots of real-world examples of contact that is preventable
- encouraging staff to see the situation from the customer's perspective.

Winning commitment from stakeholders

As with many new ideas, avoidable contact was initially greeted with scepticism by some parties. Furthermore, the National Indicator was a new addition to an already busy agenda of performance indicators and competed for management attention.

Local authorities have overcome this challenge by:

- building avoidable contact into corporate performance management frameworks and reporting systems
- making avoidable contact an agenda item at meetings between the front and back offices; service managers; and senior managers
- delivering "quick wins" based on the data, and employing the data to evidence benefits in outline business cases.

Resourcing the work

Recording avoidable contact is a new and additional task for those involved in handling customer contact which usually involves either making notes on a paper form or in a software system. Furthermore, analysing the data and reporting the findings requires time and energy.

Local authorities are overcoming these challenges by:

- explaining the rationale for measuring avoidable contact through training and induction courses and highlighting how this will help improve the customer's experience as well as the day-to-day job of frontline staff
- developing and adding measurement functionality to technology systems to ease and speed the process
- making the analysis and assessment of the data a shared, collaborative activity, and involving front and back office staff as well as service managers.

One of the major causes of avoidable contact is the legal or statutory language used in letters to customers. In many cases the language used is driven by a legislative requirements and change is not at the discretion of the council. However, the actual message to be conveyed i.e. the outcome or decision and the reasons can be written in plain English and the official legal text can be attached (for an example, see Appendix A).

Implementing changes based on the data

Several challenges face officers seeking to implement change based on the data. First, although sampling contacts offers a straightforward and cheap method of collecting data, the accuracy of the results can be disputed. This has been addressed by:

- including avoidable contact as one of the sources of customer insight in corporate improvement programmes
- investigating further, based on the areas and issues that avoidable contact data has highlighted.

Lessons learned

Understanding contact will re-shape your organisation

An important lesson from Poole Borough Council is that avoidable contact needs to be understood as part of the council's overall customer service strategy and operating model, and that monitoring avoidable contact needs to be seen as an opportunity to improve efficiency. Poole BC has achieved this by creating a post of Head of Customer Service and Communications, which has allowed the authority to integrate a number of teams that have a role in understanding and reducing avoidable contact, including customer services; communication and media; web and process re-design.

Embedding the concept into management practices is essential

To embed the reduction of avoidable contact into management practices, Colchester Borough Council has made avoidable contact a permanent agenda item in regular monthly liaison meetings between Customer Services and the Revenues and Benefits Service. The Customer Services team takes the opportunity to highlight the service's avoidable contact measure for the month, to plan ahead and identify events or activities that may cause future incidents of avoidable contact, and to give their input into new documentation; correspondence or website

content. As a result both teams can then agree how to tackle and reduce these potential causes of avoidable contact.

My post was created well before 'avoidable contact' was understood as a concept, based on a desire to both improve the customer experience and enhance operational efficiency. Once we got stuck in, we soon found that avoidable contact was a primary reason for customer frustration, and we have worked to gradually remove that over time through better process design, communication and service delivery.

**Chris Owens, Head of Customer Services and Communications
Borough of Poole**

Engagement, training and communication is necessary

Ensuring staff and managers understand the concept and have an agreed operational definition is critical. Scarborough Borough Council has embedded avoidable contact by:

- building it into its customer service training programme and induction processes for new customer service staff
- running training workshops for service managers; heads of service and elected members on customer services which includes a module on avoidable contact.

The improved understanding of customers and better working practices have freed up capacity and allowed Scarborough Borough Council to begin dealing with noise complaints on behalf of the police, enabling the two organisations to begin to work together to better manage anti-social behaviour.

Surrey County Council: from NI 14 to 'SI 14'

We treated NI 14 as a measuring exercise that gives you clues as to what is going on in the rest of the authority – a kind of 'corporate barometer'.

Simon Pollock
Head of Customer Services
Surrey County Council

Surrey County Council always treated NI 14 as a means of identifying areas for improving processes, rather than as an indicator.

Surrey CC logs every single phone call according to call category (service and type) and channel. There are 6,500 different call categories, and all channels are measured resulting in 36,000 potential call classifications. However, it takes about a second per call to record this.

For example, a call to chase a pothole can be identified to borough level. If the contact centre began to detect a large number of these chaser calls, the contact centre would approach the relevant department and try to find out what was going wrong. They would then work with the back office to try and fix the issue, and continue to measure chaser calls to ensure numbers fell.

Surrey CC found that absolute measures of avoidable contact were more relevant than percentage figures, as seasonal variations can lead to spikes in call volumes and avoidable contact that is obscured by percentage figures (as both figures rise, the percentage change is marginal). For example, snow can lead to a 'flurry' of calls – increasing the overall number as well as the number of avoidable calls.

Surrey CC now principally measures avoidable contact in financial terms i.e. cashable savings. Since beginning to measure avoidable contact in 2007, Surrey CC has made cashable savings of £175,000 in its contact centre - achieved through a reduction in staff costs. Furthermore, measuring avoidable contact has led to an additional £150,000 worth of cashable savings from outside the contact centre. A further 35 people working in the back office have been deployed to more effective work.

Surrey CC has found that a six minute avoidable call typically results in a 20 minute back-office process. Surrey CC estimates that for every one post's worth of phone calls that is removed from the contact centre, it can remove or redeploy up to four – five posts in the back office.

Based on this 'proof of concept' that the cashable savings provide, Surrey CC developed the business case for a permanent NI 14 team which is now in place. The development and approval of these business cases also helped to promote the work and generate significant buy-in across the organisation.

As a result of this, before it was withdrawn as a mandatory requirement, Surrey CC added NI 14 to every manager's KPIs. Following the removal of NI 14, Surrey CC renamed the indicator "SI 14" and added this to managers' targets, tailored in both name and target to match each service's specific function. It continues to monitor them against this target.

The measurement is also embedded across the organisation in other ways. For example, the Cabinet Member for customer services reports to the Leader each quarter, and part of that report includes avoidable contact. Furthermore, the customer services operation is one of only two services out of 28 in the Surrey CC whose budget has not been reduced. This is due to the 'invest to save' element of NI 14, and its support for channel shift.


Recommended next steps

To help identify and address the underlying causes of avoidable contact and identify efficiency savings councils should:

- visit the Local Government Improvement and Development's Community of Practice on NI 14 to get access to a range of in-depth case studies and other supporting documentation
- engage key stakeholders such as heads of service and senior managers in discussions to identify service areas where data collection and analysis should be focused
- engage frontline staff, and communicate the value of collecting the reasons for customer contact. Much of the advice contained in the original Local Government Improvement and Development Practitioner Guidance is still relevant and helpful, although it is not essential to use the term 'avoidable' contact
- discuss and agree your approach to data sampling with back office staff, and agree a plan for resourcing the analysis of data and generation of recommendations
- identify other relevant sources of customer insight that can be used alongside customer contact data to depict a richer picture of the customer's experience and the opportunities for improvement
- share the impact of the data collected and how it has been used to improve services with staff and key stakeholders.

Appendix A

Council tax reminder: 'before' (front page)



**COLCHESTER BOROUGH COUNCIL
RESOURCE MANAGEMENT**

COUNCIL TAX REMINDER

**DO NOT IGNORE THIS NOTICE.
LEGAL PROCEEDINGS CAN START AFTER ONLY ONE REMINDER**

<p>PR 24/08 00301 1/1 6/20/2008 5/20/2008 4/20/2008 3/20/2008 2/20/2008 1/20/2008</p>	<p>Telephone: 01206 282300 Account Reference: 010216 Bill Number: 16/1 Issue Date: 6 June 2008</p>
<p>Other Liable People</p>	<p>Property Address (if different from above)</p>

On **6 June 2008** our records show that payment of your Council Tax is overdue by **£36.00**. Details of payments due and payments received are shown below.

If you are having difficulty paying your bill, we may be able to help or even reduce your payments. Please phone us or call in.

The notes below explain what will happen if you do not pay in accordance with this reminder:

- ◆ You will lose the right to pay by instalments.
- ◆ The full balance to 31 March will become due for payment after a further 7 days.
- ◆ If you do not pay enough, the Council will start legal proceedings in the Magistrates Court to recover the full balance outstanding.
- ◆ If a summons is issued, you will also have to pay costs of £60.

Provided the above sum is paid within 7 days and you continue to pay ALL future instalments, if any, as shown on your latest bill, no further action will be taken.

Please see over for ways to pay and how to contact us.

Avoid future problems and pay by DIRECT DEBIT. Please see details overleaf.
Regulation 23 of the Council Tax Administration & Enforcement Regulations 1992

COUNCIL TAX REMINDER										
Account reference										
<p>6/20/2008 5/20/2008 4/20/2008 3/20/2008 2/20/2008 1/20/2008</p>	<p>Payments Due</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">01.04.2008</td> <td style="width: 70%;">£105.96</td> </tr> <tr> <td>01.05.2008</td> <td>£109.00</td> </tr> </table>	01.04.2008	£105.96	01.05.2008	£109.00	<p>Payments Allocated</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="width: 70%;">£105.96</td> </tr> <tr> <td></td> <td>£0.00</td> </tr> </table>		£105.96		£0.00
01.04.2008	£105.96									
01.05.2008	£109.00									
	£105.96									
	£0.00									
Total Amount Due:		£109.00								
Total amount payable if amount overdue remains unpaid after 7 days		£981.00								

-^a- Demonstration Powered by Exstream Dialogue 07/21/2008, Version 6.1.008 -^a-

How to contact us with a query or payment

How to contact us

By Phone For enquiries, call 01206 282300 Monday to Friday 8.30am to 5.30pm. To make a payment, please telephone 01206 282500 at anytime, day or night. To set up a Direct Debit to pay through your bank, please call us free on 0800 9755 333 at any time or visit our website www.colchester.gov.uk/directdebit

By Post Please write or send cheques payable to Colchester Borough Council to: Resource Management, PO Box 886, High Street, Colchester, CO1 1FP. Write your Council Tax number (30009445) on the back of your cheque. Please do not send cash through the post or post-date your cheques.

Visit us in person At the Customer Service Centre, High Street, Colchester Monday to Friday 8.30am to 5.30pm.

By Email Our address for queries is revenues.enquiries@colchester.gov.uk

Council Tax Benefit is a way of reducing the amount you have to pay if you have a low income. You should contact us straight away if you think you qualify. Ask us for details or go to www.colchester.gov.uk/benefits to use our online benefits calculator.

How to pay

Go Online You can pay online by credit or debit card by visiting our website www.colchester.gov.uk/payments. We will send a receipt by email. You can set up a Direct Debit by visiting our website www.colchester.gov.uk/directdebit at any time.

How to pay at a Bank You can pay free at your own bank or at any branch of Barclays bank. Please credit our account **60018082**, bank sort code **20-22-67** and quote your Council Tax number as overleaf. If you want to pay regularly at a bank, please tell us now and we will send you some payment stationery.

How to pay at a Post Office You can pay regularly free at any Post Office if you have a payment card. Please contact us online or phone to request a card.

Pay By Text You can now pay your Council Tax by mobile SMS text message. You can also register for the **Text Reminder Service**, in case you forget to pay your instalment when it becomes due. To find out more, or to register with us, visit www.colchester.gov.uk/textpay or phone 01206 282725.


Online services - 24 hours a day, 7 days a week

Go to www.colchester.gov.uk where you can:

- set up or amend a direct debit
- make payments online
- view your Council Tax account online
- tell us you are moving
- find out more information about Council Tax
- receive your Council Tax bill electronically
- check your entitlement to, and apply for, Council Tax and Housing Benefit

Colchester Borough Council
COUNCIL TAX

Date _____

bank giro credit 

Date _____
Cashier's Stamp

Cashier's Stamp

Barclays Bank PLC
Automated bulk credit clearing
Account
Colchester Borough Council
Direct Credits Account **20-22-67**
No **60018082**
PAID IN BY

Notes £50
Notes £20
Notes £10
Notes £5
£1 Coins
50p
Silver
Bronze
TOTAL CASH
Cheques, PO's

Council Tax Ref
30009445
Amount Paid
£

£19216

SORTING CODE NUMBER

20-22-67

ACCOUNT NUMBER

60018082

TIC

73

£



Council Tax REMINDER

Regulation 23 of the Council Tax (Administration & Enforcement Regulation 1992)

Other liable people:

Property address
(if different from above)

If you have already paid your Council Tax and this reminder has crossed in the post you do not need to contact us.

On **28 November 2008** our records show that payment of your Council tax is overdue by **£??.??**.

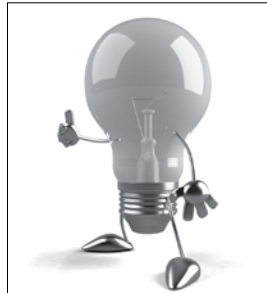
Please pay £??.?? within 7 days.

If you do not pay in accordance with this reminder:

- You will lose the right to pay by instalments.
- The **full** balance of £?.?? will become due for payment after a further 7 days.
- If you do not pay enough, the Council will start legal proceedings to recover the remaining balance.
- You will be sent a Magistrates Court Summons and incur additional costs of £60.00 for the issue of the summons and £35.00 for the making of the Liability Order.

Details on how to pay and how to contact us are shown overleaf.

If you are having difficulty paying please contact us **immediately**.



Be a Bright Spark!

Don't lose your right to pay by instalments: set up a direct debit instruction today to make sure your future payments are made on time.



Date _____ **bank giro credit**

Date _____ Cashier's Stamp

Cashier's Stamp

Council Tax Ref 31277857		Notes £20		<table border="1"> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </table>										
Amount Paid £		Notes £10												
CP9516		Notes £5												
SORTING CODE NUMBER 25-48-84		£1 Coins												
ACCOUNT NUMBER 60018082		50p												
TRANSCODE 73		20p												
PAID IN BY		10p												
Please do not write below this line or Add this voucher		5p												
		TOTAL CASH												
		Cheques, PO's												

Barclays Bank PLC
Automated bulk credit clearing
Account Ref: 31277857
Colchester Borough Council
Direct Credits Account 22-67
No 60018082

<31277857< 254884+ 60018082< 73 X

Your account reference number is:

The amount now due is £???.?? or you can pay the full amount of £?????.??

**Paying your Council Tax is a priority.
Do not delay. Pay your Council Tax today.**

How to pay:



Direct Debit is the easiest way to keep your account in balance – choose a date to suit you. Set up a direct debit instruction 24 hours a day, 7 days a week. Visit www.colchester.gov.uk/directdebit or telephone **0800 9753333** during our opening hours. You will need to have your bank account details and your Council Tax account reference number.



Visit www.colchester.gov.uk/payments to make your payment online, 24 hours a day, 7 days a week. You will need to have your debit/credit card details and your Council Tax account reference number.



Our automated payment telephone line is available 24 hours a day 7 days a week on **01206 282500**. You will need to have your debit/credit card details and your Council Tax account reference number.



If you are registered with our text payment service, please send your payment text message now. Register to use this service online at www.colchester.gov.uk/textpay or by phoning 01206 282725. You will need your mobile phone number, your debit/credit card details and your Council Tax account reference number.



Send cheques, made payable to Colchester Borough Council. Ensure you write your Council Tax account reference on the reverse of the cheque. Do not send cash and do not postdate your cheque. Post to: **CBC Resource Management, PO Box 886, High Street, Colchester, CO1 1FP.**



Pay at your own bank or at any branch of Barclays Bank. Credit our account 60018082, bank sort code 20-22-67 and quote your Council Tax account reference. A Bank Paying-In slip is overleaf.



You can pay for free at any post office using a payment swipe card. Request your card online at www.colchester.gov.uk/paymentcard or from the Customer Service Centre.

If you are in financial difficulty:

Contact us to discuss your situation. Do not ignore this notice.
Taking no action could lead to Legal Action against you.

Contacting us:

Our Customer Service Centre opening hours are 8:30 to 17:30, Monday to Friday.

: **01206 282300**

: revenues.enquiries@colchester.gov.uk

The Customer Service Centre, Angel Court, High Street, Colchester

Colchester Borough Council is committed to Customer Excellence and may record your call.

View your Council Tax account online and/or go paperless: www.colchester.gov.uk/onlineaccess.

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