

## REVENUE AND BENEFITS – CAPACITY BUILDING AND SERVICE ENHANCEMENT

### 1 SUMMARY

- 1.1 Members to consider an extension to the one-year pilot for telephone cover provided by Capita PLC.

### 2 INTRODUCTION

- 2.1 In April 2005 Members considered a report from the Head of Service which addressed criticisms raised by the Benefit Fraud Inspectorate and the Audit Commission CPA Inspectors that the Council could do more to improve its Council Tax and Benefit Service.
- 2.2 The report identified that telephone call interruptions were drawing staff away from back-office duties of claims processing and account management. This manifested itself in poor performance across a whole range of indicators with most falling into the third and fourth quartile.
- 2.3 Members accepted the recommendation to redirect telephone calls to a dedicated call centre in Coventry run by Capita PLC. The project was funded by keeping posts vacant and by using a £22,400 Department for Work and Pensions (DWP) grant.

Salary savings	£42,054
DWP Service Enhancement Fund	£22,400
	<u>£64,454</u>

Managed Service Pilot (12 months)	£53,928	
On-off set-up	£4,525	£58,453
Overall saving		<u>£6,001</u>

### Performance Enhancement

- 2.4 By keeping processing staff free of phone interruptions performance has improved considerably over the six-month period of the pilot and Rochford is now in the top quartile for all but one of the indicators.
- 2.5 The Head of Service and the Revenue and Benefits Manager will make a short presentation at Committee and the Capita Contact Centre Manager, David West will attend the meeting to answer Members questions.

### Financial Implications

- 2.6 The contract is financed up until its anniversary date of 3 May 2006. It has been found unnecessary to replace the 'Frozen' or reduced hours posts but the £22,400 DWP funding was a one-off and new financial support will need to be identified.

- 2.7 In 2006/07 the contract is likely to be around £55,500 to reflect a Retail Price Index increase. Available resources from staff savings amount to £45,500.

Post 33229 (Frozen)	£8,495
Post 33296 (Frozen)	£26,194
Post 33292 (reduced from full-time to part-time)	£10,839
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	£45,528

- 2.8 This leaves a shortfall of around £10,000. If the contract is to continue it will be necessary to make a bid for this amount in the 2006/07 Budget process.
- 2.9 Capita PLC have indicated that they are not looking for a long-term buy-in to a contract and would be content with year-on-year renewal.

### 3 CONCLUSIONS

- 3.1 There is no doubt that the Call Centre contract has been a major contributory factor to Rochford's service improvement. For this to continue it is necessary to keep the call interruptions away from back office processing staff and the Call Centre provides this solution.

### 4 RECOMMENDATION

- 4.1 It is proposed that the Committee **RESOLVES** to include a bid for £10,000 in the 2006/07 Budget to enable the service to continue.

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#### Background Papers:

Capita Contract

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