

	<p style="text-align: center;">Executive 12th February 2007</p> <p style="text-align: center;">Report from the Director of Housing and Community Care</p>
For Action	Wards Affected: ALL
<p style="text-align: center;">Future of Customer Contact</p>	

Forward Plan Ref: H&CC-0607-32

1. SUMMARY

- 1.1. A key priority for the One Stop Service in 2006/7 is working to develop recommendations for the future of customer contact to enable the Council to maintain and improve its high standard of customer service whilst meeting budgetary constraints.
- 1.2. This report is the outcome of this work. It sets out a strategy showing how the One Stop Service can be modernised and re-designed to provide more cost-effective customer contact arrangements. It presents a vision of the future of customer contact not only in the One Stop Service, but across the Council. This will:
 - Provide sharper, more efficient and better targeted customer services.
 - Realise significant cost savings in the medium and long terms.
- 1.3. It seeks member approval to begin implementing the strategy by:
 - Replacing the Kingsbury Library in Stag Lane and the One Stop Local Office in Kingsbury with a modern Library and Customer Contact Point in the Kingsbury One Stop Service premises.
 - Seeking to replace the Kilburn Local Office with a Customer Contact Point on premises shared with another partner.

2. RECOMMENDATIONS

- 2.1. Agree the main principles for the strategy for customer contact with the Council as set out in this report.
- 2.2. Agree to the replacement of the Kingsbury Library in Stag Lane and the One Stop Local Office in Kingsbury with a modern Library and Customer Contact Point in the Kingsbury One Stop Service premises.

- 2.3. Note that if recommendation 2.2 is agreed then the Kingsbury Local Office will close from the end of February 2007 until the new Library and Customer Contact Point opens in September 2007.
- 2.4. Agree to the closure of the Kilburn One Stop Local Office in March 2007 and to authorise officers to seek to identify an appropriate partner with whom to develop and implement a more economic Customer Contact Point by the end of February 2008.
- 2.5. Agree in principle, to the investment of £649,000 during 2007/8 and £347,000 during 2008/9 and to recommend to Full Council on 5th March that this funding be approved against 'spend to save' investment as part of the annual budget setting process.
- 2.6. Note that operation of the new Kingsbury Customer Contact Point will be reviewed in the autumn and that a report on that review will be brought to Members in December 2007. This report will include any recommended changes to the customer contact strategy considered necessary in the light of practical experience gained from the new joint Kingsbury local arrangements.

3. DETAIL

3.1. Background

- 3.1.1. Brent was one of the first London Boroughs to establish One Stop Shops and one of the first to establish a call centre.
- 3.1.2. It is proposed to take £148,000 savings for 2007/08 from the One Stop Service budget as considered within the October/November budget planning process. This is to be achieved through the closure and re-design of the Kingsbury One Stop Local Office and the cessation of the Welfare Benefits take up service. The Welfare Benefits Take Up service is therefore, likely to cease as from April 2007.
- 3.1.3. The One Stop Customer service cannot continue to be delivered in its current form as on-going efficiency savings will result in aspects of the service being withdrawn and service standards reducing considerably. There is not a "do nothing" option as the service requires either an injection of funds to maintain the *status quo* or investment in a major re-design to modernise and meet budgetary constraints and savings targets.
- 3.1.4. A major study was undertaken by the One Stop Service, in conjunction with a Steering group drawn from senior representatives from all Service Areas, in the period April to November 2006. The emphasis of this study was on cost reduction and, as a corollary of this, on the possibilities of "Channel migration" - moving customers from face-to-face to telephone contact and from telephone to on-line or email access.

3.2. Research

- 3.2.1. The research for this study was undertaken in six main steps. The results are documented in the report "The Future of Customer Contact – Options Assessment and Recommendations" dated November 2006. The six steps were:
 - Service Unit survey. Service Units were asked about the size of their reception areas, the number of visitors received and the changes they envisaged in the future.
 - Corporate information. Information was obtained on property costs, IT plans and the possibility of the Civic Centre.

- Visitor surveys. Surveys were conducted of visitors to the main reception points to find out why they visited in person, where they journeyed from and whether they could have used telephone or on-line methods instead.
- Staff focus groups. Three focus groups were held with front-line staff to get their views on whether customers really needed to visit in person and what improvements would help.
- Identifying best practice in other organisations.
- OSS unit costs. A comprehensive unit costing exercise was undertaken for the OSS Local Offices and the Telephones/On-line service.

3.3. Potential areas of savings.

3.3.1. From the research, potential areas of savings were identified. Those that were the most significant are set-out in the table below:

Potential Area for Savings	Comments
Savings resulting in the need for fewer staff:	
<ul style="list-style-type: none"> • Reduced customer demand through trends to phone and on-line 	General trend in society, but will need encouragement, particularly for people who use the OSS Local Offices.
<ul style="list-style-type: none"> • More use of customer self-service 	General trend in society, but will need encouragement
<ul style="list-style-type: none"> • More efficient processes leading to fewer problems and/or complaints and reduced need for multiple visits. In addition, this would give the possibility of identifying intervention opportunities – for example, residents moving to the borough could be sent information packs and forms to prevent several different enquiries to the Council using up expensive resources. 	This is a key area for savings across the Council. It also relates to better use of technology
<ul style="list-style-type: none"> • Resolve more enquiries on the spot, so reducing calls to the back office or to other front-line services 	Related to improved processes and better use of technology
<ul style="list-style-type: none"> • Level demand or reduce peaks through the use of an appointment system and/or persuasion. 	Will be piloted in 2007/8 in Kingsbury and rolled out elsewhere.
<ul style="list-style-type: none"> • Better use of staff time through a wider range of tasks to enable productive use in off-peak times and the use of non-OSS staff for routine enquiries. 	This is in-line with the shared services agenda. It can be considered locally or across agencies. This will also enable improved local service for vulnerable customers with complex enquiries.
<ul style="list-style-type: none"> • Economies of scale. For example better management/staff ratio. better holiday/sickness cover 	A further review regarding the deployment of frontline advice staff across the organisation could better maximise outputs and reduce duplication

Potential Area for Savings	Comments
Savings resulting in reduced accommodation costs:	
<ul style="list-style-type: none"> Reduced need through fewer staff or home working 	Applies if staff numbers are reduced. Home working not an option for OSS Local Offices staff.
<ul style="list-style-type: none"> Reduce wasted space 	Actual space used less the theoretical space calculated = wasted space
<ul style="list-style-type: none"> Economies of scale 	Savings through shared receptions, security etc.

3.4. Overall Options

3.4.1. Overall options were considered under three headings:

- Local Offices
- Service transformation, including channel migration and business process improvement
- Long-term improvements.

3.5. Options for OSS Local Offices

3.5.1. A number of initiatives were identified which could lead to reduced costs, improved efficiency and better customer service. These were evaluated against the areas of savings identified above. The conclusion was to replace five OSS Local Offices with "Customer Contact Points". The Contact Points would be smaller than existing OSS Local Offices and would:

- Share a reception and reception duties with a range of partners such as Libraries
- Have an appointment system that could be used by reception staff, the Council's Telephone/On-line centre or by customers themselves
- Have interview facilities, which would be staffed by a rota of experienced customer services officers. This service would be available during opening hours on weekdays until 5.00PM
- Have self-service facilities that reception staff would encourage customers to use. This would be available for customers throughout opening hours (For example, if the Contact point were in a Library, the self-service facilities would be available throughout Library opening hours).

3.5.2. This would provide potential for savings and increased efficiency through:

- Reduced staffing levels as a result of:
 - Customer demand levels being reduced by encouraging self-service and telephone contact
 - Peaks being reduced by use of an appointment system, although special arrangements would need to be agreed with Revenues and Benefits to cater for peaks in the annual billing and in the main debt recovery periods.
 - Economies of scale provided by shared services through improved partnerships. This ties-up with key findings in the recent Varney

Review sponsored by the Government in which Sir David Varney recommended leveraging assets through sharing frontline offices across the public sector. He also recommended joining-up related services, provided by different organisations, around specific customer groups.

- Reduced accommodation cost as a result of:
 - Reduced staffing
 - Shared reception areas
 - Less wasted space
- 3.5.3. However, additional staffing will be needed in the Telephone/On-line Service to deal with the extra calls resulting from the implementation of the Customer Contact Points. These costs have been included in the future staff costs set-out in the Financial Implications at paragraph 4.1. Furthermore, the ACD system will need to be upgraded to enable greater use of automated responses through IVR (Interactive Voice Response) and other facilities to be used.
- 3.5.4. Although customers would generally no longer be able to drop in for a face-to-face discussions without an appointment (other than at Brent House), customer service and accessibility will be improved because:
 - Service would be available over a longer period through self service.
 - There should be fewer long queues
 - A significant number of customers would learn about the on-line and telephone services available and begin to realise their advantages in terms of convenience and speed of response.
 - Vulnerable customers with complex or simple enquiries would receive improved quality service through local dedicated appointment service.
- 3.5.5. The Customer Contact Point could include either:
 - Kiosks with videoconferencing such as the TellyTalk service used in Lewisham. This enables “Face-to-face” interviews to be conducted with a Council Officer in another building, or
 - Self-service Kiosks. These are similar to the TellyTalk option except that there would not be a videoconferencing link. The kiosk would have a PC, touch screen, keyboard and printer.
- 3.6. **Options for Transforming services**
- 3.6.1. Two strands of activity are essential to make the implementation of Customer Contact Points a success and to obtain further substantial savings throughout the Council. These are business process improvement and channel migration.
- 3.6.2. **Business process improvement.** It is essential to take a cross-Council view of process review and improvement since the processes encompass customer contact through to fulfilment of the service request by the back office service unit. It is expected that improved processes from initial customer contact to service delivery would lead to:
 - Greater efficiency, fewer complaints and a reduction in the numbers of face-to-face visits and phone calls.
 - Further reductions in the number of customer contacts as a result of being able to anticipate and possibly remove the need for some

customer enquiries (for example, by sending new residents an information pack, so possibly removing the need for them to contact several different departments).

- 3.6.3. Process review and the implementation of identified improvements needs sufficient resources. These should come from:
- The creation of the Corporate Business Transformation Team proposed by the Finance and Corporate Resources Department in the IT strategy paper, and
 - The deployment of two Change Implementation Managers in the One Stop Service to provide practical input to the Transformation Team, additional OSS change management capacity and support the deployment of new processes, new technology and staff role changes. In particular, they would help ensure that the large changes proposed are successfully implemented while current service levels are maintained and that much larger benefits are obtained from improvements relating to customer services. These benefits would be across the Council and not just in the One Stop Service.
- 3.6.4. The two Change Implementation Managers in the OSS would be employed for two years. After the first year an assessment would be made to see what efficiencies had been identified and whether there were any further areas where they could help. In other words, further investment would be kept in line with expected benefits.
- 3.6.5. The One Stop Service Management Team cannot undertake the change management work without increasing management capacity as it is already over-stretched. Consequently, the option of not employing these Change Implementation Managers would place an unsustainable workload on the One Stop Service Management Team. The result would be declining customer service and reduced efficiency gains across the Council.
- 3.6.6. **Channel Migration.** A key initiative will be to encourage customers to change from face-to-face to other forms of contact. This requires a proactive three-pronged approach:
- Practical assistance targeted at visitors to the OSS Local Offices. Visitors to OSS Local Offices are exactly the people who should be encouraged to use on-line or telephone contact if appropriate. On-line self-service facilities would need to be provided at the OSS Local Office or other contact point. A member of staff similar to a receptionist would need to act as a floor-walker to discuss the customer's needs, whether telephone or on-line contact would have advantages for them and be able to encourage them by showing them how to use the system.
 - Improvements in the on-line facilities provided by the Council to make them as efficient and easy to use as possible. The easier and more efficient they are, the more likely customers are likely to choose this method of contact – a win-win result. This is supported by the I T Strategy agreed by members at Executive on 15th January 2007.
 - An effective communication and publicity strategy to point out the benefits and convenience of on-line contact with the Council. Some of this would be provided by Central Government as part of its e-Government take-up campaign at a National Level. However, local publicity such as advertisements in the Brent Magazine and posters in the OSS Local Offices would also be needed.

3.7. Options for Longer-term improvement

- 3.7.1. Specialist receptions could be merged into OSS Local Offices. Potential economies and efficiencies would arise from:
- Economies of scale as enquires would be handled by OSS Local Office Staff.
 - Reduced volumes if customers were encouraged to use self-service.
 - Savings in the amount of reception space needed.
- 3.7.2. However, a significant number of visitors to the specialist reception points have appointments with back office staff based in the premises. As a result, it would be necessary either to retain a reception capability or to move relevant back-office staff to the same building as the OSS Local Office.
- 3.7.3. Realistically, this should be considered when, and if, the Civic Centre project comes to fruition.

3.8. The Proposed Strategy for Customer Contact

- 3.8.1. The proposed strategy for customer contact is to implement the options recommended above. This would result in:
- More customers using on-line access to Council services, with on-line access being easier to use, more efficient and more convenient for the customer. This would be supported by a proactive communications and transformation strategy.
 - More customers using telephone access
 - The use of PayPoint or similar facilities available in many retail outlets across the borough being extended to cover all cash payments to the Council.
 - Local accessible Customer Contact Points shared with other service units or organisations when face to-face interviews are really needed or for people for whom face-to-face discussions are necessary. Contact Points would have self-service facilities that could be used whenever the Contact Point is open. There would be an appointment system, leading to fewer queues and more efficient working.
 - One main drop-in OSS Local Office. In the medium term this would be the OSS Local Office in Brent House. The OSS Local Office would move to the Civic Centre when it is built and would be expanded to include HRC (Mahatma Gandhi House) and CASS (Chesterfield House) receptions, together with receptions for all service units with staff based in the building.
 - Improved processes from initial customer contact to service delivery, leading to greater efficiency, fewer complaints and a reduction in the numbers of visits and phone calls.
- 3.8.2. The above is expected to lead to ongoing savings in the One Stop Service in 2009/10 and beyond of between £323,000 and £479,000 a year, depending on the Council's ability to dispose of vacated accommodation. Additional substantial, but currently unquantifiable, savings are expected elsewhere in the Council.

- 3.8.3. Not adopting the strategy would lead to increased costs, reduced service levels and the possible closure of one or more Local Offices to meet on-going savings targets.

3.9. **Implementing the Strategy**

- 3.9.1. Implementation of the proposed customer contact strategy would be in the following phases. These are:

- Working with the Library Service to implement a pilot Customer Contact Point in Kingsbury to confirm the business case and to provide practical experience to help further refine the strategy.
- Preparing for the implementation of a second Customer Contact Point by the end of February 2008 to replace the existing Kilburn Local Office. The Kilburn Local Office would be closed in March 2007 in order to facilitate the letting of the Dyne Road premises, so reducing expenditure in future years.
- Recruiting two Change Implementation Managers and making an early start on improving customer services business processes across the Council. Initially this work would be concentrated on Council Tax billing and debt recovery.
- Upgrading the ACD system early in 2007/8 to facilitate improved efficiency as the number of calls to the contact centre increases.
- Replacing a further three One Stop Local Offices with Customer Contact Points during 2008/9
- Expanding the contact centre to take up the expected increase in telephone calls as the number of face-to-face contacts reduces.
- Rationalising other reception points if, and when, the new Civic Centre is approved.

- 3.9.2. A targeted communications campaign would be needed throughout the implementation period to encourage members of the public to use telephone and on-line access rather than face-to-face visits and where necessary to use the local appointment service.

3.10. **The Kingsbury Pilot Customer Contact Point**

- 3.10.1. Kingsbury Library is currently situated in Stag Lane, Kingsbury NW9 and shares the premises with one of the Pupil Referral Units. The library is set back from the road. Current performance at this library is average and Kingsbury is currently 7th out of 12 libraries in terms of number of visits between April 2006 and November 2006 with visits declining in comparison to 2005/6. Improvement is unlikely due to the poor location and lack of passing trade. The current library is also in need of extensive repair, estimated at £126,000 in the latest asset review by Corporate Property.
- 3.10.2. It is proposed to combine the Library and the One Stop Shop in Kingsbury to provide a completely new 21st century library with a pilot Customer Contact Point based at the current One Stop Local Office location (522 Kingsbury Road NW9). Although this is smaller than the current Kingsbury Library it can easily accommodate a modern and attractive library space, including the latest ICT for customers. This library can provide a model for the future of Brent libraries and will be used to pilot the delivery of modern library services in Brent with self-service, floor-walking staff, joint reception

with the Customer Contact staff and bookshop-style display of stock. It will also provide a much more accessible library, close to the main shopping area and good transport links, with improved performance against key CPA indicators such as numbers of visits and numbers of books loaned. The library opening hours will be reviewed as part of the process of relocation.

3.10.3. The Local Office would close in February 2007 and the new Library/Customer Contact Point would open in September 2007. It would be an invaluable pilot to prove the business case for further investment and to help refine the design of subsequent Customer Contact Points, as well as providing long-term savings.

3.10.4. Failing to implement a shared services Library and Customer Contact Point in Kingsbury would mean:

- Taking the risk of not piloting the new way of working.
- Retaining additional temporary staff to keep the Kingsbury Local Office open.
- Foregoing the chance of providing modern Library facilities in the Kingsbury area.
- Increasing annual costs.

3.11. **The Kilburn Local Office**

3.11.1. The proposal to replace the Kilburn Local Office in Dyne Road is made for the following principal reasons:

- It would facilitate the sub-letting of the entire building in Dyne Road by Property and Asset Management from April 2007. While terms are likely to be such that there will be no savings in 2007/8, the sooner the Kilburn premises are let the sooner savings in accommodation costs will accrue to the Council.
- It helps ensure that the proposed changes are evenly spread across the borough.
- The re-design of contact arrangements can be delivered over a shorter time frame thus realising identified objectives, benefits and savings faster.

3.11.2. The above means that the Kilburn One Stop Local Office would be closed in March 2007, with customers redirected to the Willesden Local Office and staff re-assigned to other locations during an interim period until a Contact Point partner is identified. Officers expect to be able to identify a potential partner and implement a Customer Contact Point by the end of February 2008.

3.11.3. If the Kilburn Local Office were not closed in March 2007, potential savings from releasing the office space would be delayed until 2009/10 or beyond.

3.12. **Upgrading the ACD (Automatic Call Distribution) System**

3.12.1. An upgrade of the ACD (the Automatic Call Distribution) system used in the call centre would provide additional capacity to support the customer contact strategy and improve efficiency and customer service by (for example):

- Introducing an element of self-service, although there will always be the option for customers to talk to an Officer if they wish.
 - Allowing Telephone Customer Advisors to work with customers collaboratively for tasks such as form filling and by helping manage calls during periods of peak demand.
 - Facilitating timely feedback from customers to give up-to-date management information on the service being delivered.
- 3.12.2. The alternative to upgrading the ACD system is to recruit additional contact centre staff to deal with the expected increase in numbers of phone calls as many customers switch from face to-face access.

3.13. Indicative Timescales

- 3.13.1. Indicative timescales for implementing the customer contact strategy are summarised in the Table below:

Date	Provisional Milestone
Mid-February 2007	Public communications begins
End February 2007	Kingsbury Local Office closes. This is before the annual Council Tax billing period to enable better management of this time of peak customer demand.
Beginning March 2007	Kilburn Local Office closes before the annual Council Tax billing period to enable better management during peak customer demand.
May 2007	Change Implementation Managers recruited
September 2007	Kingsbury customer contact point opens
November 2007	Focus group with customer contact point users.
December 2007	Initial programme review of the Kingsbury customer contact point pilot, progress with Kilburn arrangements and the work of the two Change Implementation Managers. Report back to members.
February 2008	Kilburn customer contact point opens
March 2008	Full programme review of the Kingsbury customer contact point pilot and the work of the two Change Implementation Managers.
June 2008	Town Hall Local Office transformed to a customer contact point
December 2008	Willesden Local Office transformed to a customer contact point
February 2009	Harlesden Local Office replaced by a customer contact point

- 3.13.2. The following risks were identified and are addressed within the budget figures in Section 4:

- i. That in order to achieve significant financial savings quickly, a transformation that was originally considered to require 3-5 years is being compressed into 2¼ years. There is professional concern about the risk to customer service and public relations caused by this after 16 years of choice and expansion. Specific risks identified are:
 - The initial pilot will not have produced enough information to confirm the business case for subsequent investment before construction of the next Customer Contact Point needs to start.
 - The amount of change required over the next two years will place a very heavy burden on an already stretched OSS management, with possible adverse consequences on customer service.
 - There will not have been time for the improvement and communications programme to persuade customers to use the phone or on-line access, with the result that customer service will be perceived to have declined and the workload at the Brent House 'drop-in' centre will increase to unacceptable levels, particularly at peak Council Tax billing and recovery periods.
- ii. Closing the Kilburn Local Office in February 2007 and re-directing customers to the Willesden Local Office until an accommodation partner can be found and a Customer Contact Point implemented may prove unpopular, but is necessary in order to obtain savings by re-letting Dyne Road.

3.14. Strategy Refinement

- 3.14.1. The position will be reviewed in December 2007, when preliminary results from the Kingsbury pilot would be known, progress will have been made regarding revised Kilburn arrangements and initial assessments made of the benefits of the work of the two Change Implementation Managers. It is expected that this review, which would be presented to Members, will identify any refinements needed to the strategy and will confirm the business case for:
 - Implementing the remaining three Customer Contact Points shared with the Library Service or another partner to replace the Town Hall, Willesden and Harlesden One Stop Local Offices.
 - Employing the two Change Implementation Managers for a further 12 months.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The proposals within the report bring significant changes to the service of financial years. They require investment to generate an improved and modernised service, as well as revenue savings. This section of the report sets out the costs, and the high level financial business case to justify this spending.

There are two main categories of investments required:

(i) Capital

This is the spending on the buildings, furniture equipment etc. This will be included within the Capital Programme and debt financing costs will be charged to the revenue account with a proposed payback of 7

years.

(ii) Revenue

The Change Implementation Managers will be charged directly to revenue, in the year the spending occurs.

4.2 Investment

4.2.1 The total investment required in 2007/8 is shown in the Table below:

	Item	Cost
Kingsbury:		
• Customer Contact Point	Fitting-out and furniture	£17,000
	Equipment	£22,000
	Design, signage and publicity	£20,000
	Contingency	£12,000
	Project Management	£7,000
• New Library	Design and build etc	£322,000
	TOTAL	£400,000
Kilburn		
• Customer Contact Point	Fitting-out and furniture	£22,000
	Equipment	£24,000
	Design, signage and publicity	£18,000
	Contingency	£12,000
	Project Management	£8,000
	TOTAL	£84,000
Remainder of the 2007/8 Programme		
	Change Implementation Managers	£100,000
	Automatic Call Distribution System upgrade	£65,000
	TOTAL 2007/8 PROGRAMME	£649,000

4.2.2 The investment expected to be required in 2008/9 is shown in the Table below:

	Item	Cost
	Town Hall Customer Contact Point	£79,000
	Willesden Green Customer Contact Point	£84,000
	Harlesden Customer Contact Point	£84,000*
	Change Implementation Managers	£100,000
	TOTAL 2008/9 PROGRAMME	£347,000

*There is a possibility of some of the funding needed for the Harlesden Customer Contact Point being obtained through the Library Services' Heritage Fund bid.

4.2.3 This investment not only compares extremely favourably with the many millions of pounds spent by other boroughs to reshape their services such as Liverpool, Ealing and Harrow, but it also includes a new Library.

4.3 Savings

4.3.1 It is the intention to fund the expenditure on a "spend to save" basis, and if Members agree the recommendations in the report, this will be included for agreement within the Budget Report to Full Council on 5th March. Savings generated, will be used to fund the financing charges of the capital expenditure and repay the revenue investment.

4.3.2 Estimated savings from implementing the vision described above are in three categories:

- Savings that are currently identifiable and cashable. These would come from the implementation of Customer Contact Points.
- Substantial savings that are expected across the Council, but which are not yet quantifiable. These would come as a result of business process improvement and the implementation of new technology. These will be assessed as this programme rolls out.
- Savings that would come in the long term as a result of the Civic Centre and the amalgamation of several reception points into one chief OSS Local Office. These should be considered when the design and scope of the Civic Centre is clearer.

4.3.3. Cashable savings from the implementation of Customer Contact Points are summarised in the Table below:

		£'000
Current Costs		
	Staff	1332
	Accommodation	244
Future Costs		
	Staff	993
	Accommodation	104
Annual Savings		
	Staff	339
	Accommodation	140
TOTAL SAVING PER YEAR		479

4.3.4 Note that the accommodation savings depend on the Council being able to dispose of the space vacated by the OSS Local Offices, or to use it so that other accommodation can be released. The space released at Kingsbury Library has a number of potential usages, which will be considered by the Executive in a later report.

4.3.5 The investment and benefit profile for the recommended option is shown in the Table below.

	£'000			
	2007/8	2008/9	2009/10	2010/11

	£'000			
	2007/8	2008/9	2009/10	2010/11
Total Investment	649	347	0	0
Financing Costs	95	138	138	138
Change Management	100	100		
Total Revenue Costs	195	238	138	138
Cashable Savings	(13)	(130)	(413)	(479)
Net Cost (Savings)	182	108	(275)	(341)
Cumulative Cost (Savings)	182	290	15	(326)

4.4 In summary, the investment aims to deliver:

- Cashable savings from 2010/11 onwards, with repayment of spend to save investments.
- The potential for much larger savings across the Council as a result of process improvement and better use of technology.
- A better service to all customers that takes advantage of modern technology, whether or not customers themselves use it directly.
- A modern, more accessible 21st Century Library.
- An improved image of Brent as a modern and efficient Council.

5.0 LEGAL IMPLICATIONS

5.1 Contracts in respect of the development of the new library and contact points will need to be procured in accordance with the requirements of the Council's standing orders and the EU Procurement Regulations where applicable. Disposal of property which may become vacant as a result of the implementation of the strategy will need to be in accordance with the provisions of the Constitution and the relevant statutory provisions.

5.2 Under the Public Libraries and Museums Act, 1964, local authorities are required to provide a "comprehensive and efficient" library service.

6.0 DIVERSITY IMPLICATIONS

6.1 An initial Impact Needs Requirements Assessment has been conducted regarding the Customer Contact Strategy, the Kingsbury Pilot and the Kilburn local office closure and interim arrangements. This comprised of gathering information, a desk review of policies and a thought storming session with the One Stop Service management team. No customer or stakeholder consultation was deemed necessary at this early stage. The diversity implications are as follows:

6.2 The initial INRA found that there is no current evidence to suggest that the new Customer Contact strategy could have an adverse impact upon a particular diversity group.

6.3 The following groups could potentially be affected however, by the inconvenience and costs associated with having to travel further and not having the skills to use developing technology or easy access to it:

Elderly customers

Disabled customers

Customers with limited English

Customers with learning difficulties

Customers on low income

Customers with young children

6.4 It recommends allocated resources to undertake further associated work; revised data collection and improved analysis of management information to address identified future impact. Further recommendations regarding improving access and communicating information can be included within the implementation plans to reduce impact. These resources are built into the requested investment 'spend to save' figures detailed at paragraph 4.0 financial implications.

6.5 Customer and stakeholder consultation will be conducted during the Kingsbury pilot and with regard to the Kilburn closure. The outcomes will be addressed within the strategy refinement and implementation plans and a full report will be included within the December 2007 report back to members.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

7.1 There are significant staffing and accommodation implications. These form key parts of the recommendations. Staff will be consulted throughout the programme. In essence, the staffing implications are:

- Customer Contact Points would employ 11.56 FTE fewer staff
- The Telephone/On-line service would employ 4.25 FTE more staff initially, although additional staff may be needed assuming that business process improvement leads to the expected further reductions in face-to face-visits and increases in telephone and on-line access.
- The recruitment (or secondment) of two Change Implementation Managers for a period of two years.
- A revised role for all frontline staff.
- There would be a new role similar to that of receptionist to act as a floor-walker to help customers use on-line self-service facilities and to book appointments. The five Customer Contact Points would require 7.76 FTE of these. They would not need to be at the same level as current Local Office staff and would probably be Scale 3 – Financial Implications have been calculated on this basis.
- Revised management roles and arrangements. In the case of the Kingsbury Customer Contact Point, reception staff would report to local Library Service management, but would be expected to follow One Stop Service standards.

7.2 A key aim is to ensure that there are no redundancies - all the above changes are expected to be achieved through releasing temporary staff

and through natural wastage and in accordance with the Council's HR policies and guidelines.

8.0 BACKGROUND PAPERS

- 8.1 The initial detailed Impact Needs/Requirement Assessment Diversity report is available for inspection upon request.
- 8.2 Most of this report is a summary of a report entitled "The Future of Customer Contact – Options Assessment and Recommendations" dated November 2006.
- 8.3 Supporting that report are:
- Detailed spreadsheets giving details of current costs and a breakdown of the estimated investment required.
 - GIS maps showing where visitors to the main reception points had journeyed from.

9.0 CONTACT OFFICER

- 9.1 Any person wishing to inspect the above papers should contact:

Sandra Carson, Assistant Director Customer Service
Mahatma Gandhi House
34 Wembley Hill Road
Wembley
Middlesex HA9 8AD
Tel No. 020 8937 1203

Martin Cheeseman

Director of Housing and Community Care