

VANGENT

London Borough of Southwark
Customer Service Centre (CSC)

***Modernising and simplifying the provision
of council services and handling
2 million customer transactions per year***



Case Study

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The Challenge

Southwark Council is responsible for providing services to citizens including education, housing, environmental oversight, local tax collection, social welfare and benefits assessment and payments in one of the most diverse and needy communities in the UK. The challenge for the Council was to improve customer service by transforming its business operation and implementing operational efficiencies, and in turn, to free cash for re-investment into front-line services. This consolidation and streamlining of services needed to be done quickly and would be underpinned by a single Customer Service Centre (CSC) program.

The leader of the Council, Councillor Nick Stanton, described the purpose and benefits of the program when the contract with Vangent to deliver this vision was signed on November 23, 2004:

“The signing of this contract is a major milestone in the transformation and modernisation of services to our customers - the residents of Southwark. Currently people have to contact different offices depending on what kind of service they need from the council. This simply doesn’t make sense anymore and it is time for change. Our long-term plan is to provide a model of good practice.”

Vangent was selected after a long and exhaustive competitive tendering process and was charged with designing, developing and managing the CSC to transform the business of the Council. Providing customer services to residents and businesses in the London Borough of Southwark, Vangent handles inquiries, service requests, complaints and payments from the public as well as supporting more effective delivery of services.

The Solution

The CSC delivers a range of benefits to those who live and work in the Borough, handling more than 2 million customer interactions every year. The goals were to provide better information, more efficient management of customer requests, and more effective delivery of services. By analyzing, re-

engineering and consolidating those services and processes - previously handled independently by a number of different departments - consistent, high quality customer service is assured.

Vangent's solution began with the opening of a state-of-the-art contact center in May 2005, located in the heart of London, designed to resolve 80 percent of requests from customers at the first point of contact. Requests are received via multiple channels—telephone, text messaging, post, e-mail, and the Web. The contact center is complemented with three one-stop shops, located across the Borough and also run by Vangent, to satisfy customers who prefer to deal with the Council face-to-face.

As part of the service provided, Vangent designed, developed, integrated and implemented a complex computer systems infrastructure for the Council including telephony over the internet (known as VOIP), Interactive Voice Response, SAP and web portal software, a tailored Customer Relationship Management (CRM) system, a document management system, advanced analytic tools and tight integration with the Council's other existing strategic business systems.

Vangent staffed the CSC with 50% of the personnel transferred under TUPE provisions from Southwark Council, and the remainder being newly recruited.

Over 100 services are provided by the CSC—ranging from housing repairs and revenues and benefits through to social services for adults and children, schools admissions and student support. Many services, such as information inquiries, are fulfilled immediately. Others, such as housing repairs, are validated and then handed off to either the Council's officers or its contractors. There are self-service facilities for staff, politicians, local businesses, and citizens. Business process re-engineering has been an integral part of this program, delivering change, while simultaneously improving the customer focus and efficiency of the services provided.

The deal is valued at over £100 million for the first 10 years and the contract allows for an extension of the partnership to 15 years.

The Results

Vangent delivered the CSC on time in a record six months on May 31, 2005, immediately delivering improved performance, quality levels and customer service, and showing continuous improvement ever since. It withstood London's terrorist attacks in July 2005 with negligible impact on service. The number of services provided by the CSC has grown considerably through planned project phases, and additional staff have been transferred to Vangent. The program delivered a well-trained team of customer service representatives focused on providing customers with better access to, and satisfaction from, the services provided by Southwark Council.

The CSC initiative was a major contributor to Southwark Council winning the Most Improved Council award as judged by Local Government Chronicle awards in September 2005 and presented in January 2006. The Council was also awarded the "highly commended" runner-up position in the London Connects Best Customer Service Award for the Customer Services Centre program in 2006.

Benefits to the Council and the residents and businesses of Southwark include:

- **Service improvements** - 90% of calls are now answered within one minute compared with 60% to 70% in the past. The call abandonment rate has fallen to under 5%, from 15-20% previously. In the past, calls took up to 7 minutes to be answered. We have introduced optional voice-mail call-back options for customers with the promise of all calls being returned within 3 hours.
- **Improved customer satisfaction ratings** - As independently measured by MORI.
- **15% increased in front office productivity** - Achieved by introducing call handling techniques, new technology, side-by-side coaching and performance management of customer service representatives. Customer interaction times were dramatically reduced by presenting Council staff with the "holistic picture" of the customer. Communication between teams has been greatly improved through collocation and an open, single floor policy.

- **Efficiency gains** - CSC Staffing for the original services was reduced through productivity improvements. Staffing was reduced through a combination natural attrition and redeployment to new services.
- **Quality management information** - The single CRM database that contains a record of all interactions with the Council, combined with advanced data warehouse analytical tools, enables the Council to identify areas of need and of weakness much more quickly than ever before. Managers are now able to predict, plan and respond to trends and prevent issues before they arise.
- **Staff training and skills development** - All staff cross-trained in different disciplines, enabling call monitoring and scorecards to address any knowledge gaps and ensure continuous improvement and opportunities for advancement.
- **Team spirit** - By involving staff in the decision-making process and soliciting feedback, early morale issues associated with new working practices were promptly addressed. Even the advent of monthly theme days to introduce an element of fun into the workplace, incentive scheme plan are in place and every employee has received an equal cash award from the owning group for exceptional performance in 2005.
- **Job creation** - Since May 2005, Vangent has provided employment to more than 200 customer service representatives and invested substantially within the borough in professional job creation and a management team.

By any measure, the CSC program has been a resounding success despite its complexity and highly ambitious timescale. Vangent continues to work in partnership to develop the range and quality of services provided, and to provide the efficiency savings now demanded of local authorities.

Contact Information

Vangent Ltd
020 7939 3535

Email: info@vangent.com
www.vangent.co.uk