



REPORT TO: CORPORATE COMMITTEE ON 25 APRIL 2023

SUBJECT: FREEPHONE NUMBERS FOR SERVICE USERS

BY: DEPUTE CHIEF EXECUTIVE (EDUCATION COMMUNITIES AND ORGANISATIONAL DEVELOPMENT)

1. REASON FOR REPORT

1.1 Further to a Notice of Motion, to provide the committee with information on the cost and impact of implementing free telephone access to council services.

1.2 This report is submitted to Committee in terms of Section III (B) (44) of the Council's Scheme of Administration relating to the provision of central support services.

2. RECOMMENDATION

2.1 It is recommended that the committee notes the background and cost of customer telephone contact with the Council and agrees that:

- (i) existing local call rates are retained for customers who contact the council by telephone;**
- (ii) the availability of call back continues to be promoted for those who are unable to phone for financial reasons.**
- (iii) free telephone access is retained at the Elgin HQ reception and Information Hubs.**

3. BACKGROUND

3.1 Contact Centre Model

The Contact Centre provide a first and where possible a single point of contact for many customer enquiries. The advisors deal with telephone and email enquiries recording customer contact in the Customer Relationship Management (CRM) system Lagan, providing a single view for customer transactions.

Not all services have their customer contact routed through the Contact Centre with many services including Education, Children’s Services, Leisure, and Libraries still taking customer contacts directly within their service area.

3.2 **Call and email volumes**

The contact centre currently receive the following volume of customer enquiries:

Year	Telephone	Email
2019/20	180339	74847
2020/21	139174	106040
2021/22	162405	95207

3.3 **Digital First**

The Council is committed to a “digital first” approach for customer services as part of its Improvement and Modernisation Programme. The aim is to provide digital self-service options for customers where possible, whilst retaining personal support for those who need it.

This approach should deliver efficiency savings and a more convenient service for customers.

3.4 **Cost of different types of contact**

Research shows that the cost of telephone contact is between 20 and 25 times the cost of online.

3.5 **Telephone code categories**

The UK telephone numbering plan is administered by Ofcom. The prefix designates the type of call and the table below shows the type of numbers typically used by the council for customers to contact us.

Prefix	Designation	Cost to caller from landline 01 or 02	Cost to caller from mobile	Cost to Council
01 and 02	Geographic numbers or local numbers	Typically 16p per minute, many providers charge a 23p call set up fee.	Cost vary depending on plan. Typically they are included in free call packages. Calls to 01 and 02 outside any	Free to receive calls

Prefix	Designation	Cost to caller from landline 01 or 02	Cost to caller from mobile	Cost to Council
			inclusive minutes can cost between 3p and 65p per minute	
03 including 0300 and 0345	Non geographic - UK wide	Typically 16p per minute, many providers charge a 23p call set up fee.	Cost vary depending on plan. Typically they are included free in call packages. Calls to 03 numbers outside inclusive minutes cost between 3p and 65p per minute.	0.5p per minute
0800 and 0808	Free phone service	Free	Free	1.6p per minute

3.6 The current volume of calls through the 0300 and 0345 numbers is approximately 92,000 calls per year, with a further 26,000 calls received on the two 01343 numbers. However, it is emphasised that this covers only calls made through the council's Customer Contact centre as this information can be analysed. There are other telephone contact points for which there is no data available.

3.7 Whilst a significant proportion of calls received are from mobile phones (and the majority of these will likely be from inclusive contracts) it is recognised that a small proportion of customers will rely on pay as you go or landline and costs could be prohibitive.

3.8 Current mitigation for those unable to meet call costs

- (i) **Free digital access** available at all libraries where customers can be supported to use our online services. Where possible and appropriate use of our online services is our preferred contact method. As indicated in 3.4 there are significant cost differences between telephone and digital customer transactions.
- (ii) **Free telephone access** is provided at the HQ Annexe Reception and in all the Information Hubs. Following the redesign of Customer Services as part of the Improvement and Modernisation programme Information Hubs have been established in all Council libraries.

- (iii) **Call back.** Where a customer calls the contact centre and indicates they have insufficient credit for the call then the contact centre will call them back to support their enquiry. There is no data on the volume of these specific credit related call backs. The total annual call backs are around 4500 but most of these are for scenarios where customers have requested more information, an update or when a call has been unexpectedly disconnected.
- (iv) **Near me.** Elgin Library currently provides access to Near Me, a facility to attend NHS appointments remotely. This will be available at an expanded range of libraries during the course of 2023/24

3.9 Costs of moving to 0800 freephone numbers

Introducing 0800 Freephone numbers to replace existing 0300 and 0345 numbers would cost an additional **£7500** (approximately) per annum.

Introducing Freephone numbers for the main switchboard number 01343 543451 and to replace the 01343 563456 number would introduce a new cost to the council of £0.016 per minute. It has not been possible to accurately identify the impact on call costs, due to no call information available once the call is transferred to a service. However, as an example to illustrate potential costs, with a volume of 118,000 calls if each call lasts an average of 5 minutes the additional cost would be £9440 per annum.

As well as the direct call costs to the council there would be other installation and configuration costs for implementing the solution. There would also be a number of indirect costs around the updating of customer contact numbers on printed materials and web content. This is estimated at between £5,000 and £10,000.

Whilst making all calls to the contact centre free of charge would help those unable to afford costs, it could be seen as a disproportionate way to tackle the issue. As noted above a number of mitigation measures are in place for those unable to afford the costs of a telephone call to the customer contact centre.

3.10 Other considerations for moving to Freephone 0800

- (i) Impact on digital first programme: making the phone route more attractive would not be consistent with this approach and could undermine efforts to encourage digital by default if costs of calls are removed.
- (ii) Not all Council services are accessed through the Customer Contact centre services including Education, Schools, Libraries, Leisure, Children's Services, Adult Social Care and Registrars that all use 01 local numbers for customer telephone contact. As a result this would provide different costs for these service users.

- (iii) There is no information available on the volume of customer contact in services that are not currently supported by the Customer Contact centre. We therefore cannot predict how customer calling patterns would change if Moray Council were to introduce Freephone numbers. With no call information available we cannot predict the additional costs if customer switch to using Freephone numbers.
- (iv) Currently the Customer Contact centre achieve a 93% call answer rate. Any shift by service users to use new Freephone numbers would impact of the service delivery levels currently being achieved.

3.11 Calls through the internet

As technology continues to develop new customer channels continue to become available. Social media applications such as WhatsApp and Facebook introduce the potential of new customer channels. The ongoing improvement and modernisation of Customer Services will allow for these solutions to be considered and where opportunities exist allow for business cases to be developed.

3.12 What happens elsewhere?

A review of all other Scottish Local Authority websites indicated that no authority is providing 0800 Freephone numbers for general customer contact. Several provide them for out of hours emergency and some for emergency homelessness.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The proposal would contribute to the Corporate Plan commitment to tackle inequalities and tailor services. However, this approach would not contribute towards delivering a sustainable council for the future.

(b) Policy and Legal

The Council's Customer Charter sets out the response times and standards which council service users can expect but does not deal with the telephone costs.

(c) Financial implications

When the Council approved the budget for 2023/24 on 1st March 2023 (paragraph 5 of the Minute refers) it balanced only by using reserves and one-off financial flexibilities. The indicative 3 year budget showed a likely requirement to continue to make savings in the order of £20 million in the next two years. All financial decisions must be made in this context and only essential additional expenditure should be agreed in the course of the year. In making this determination the committee should consider whether the financial risk to the Council of incurring additional expenditure outweighs the risk to the Council of not

incurring that expenditure, as set out in the risk section below and whether a decision on funding could reasonably be deferred until the budget for future years is approved.

(d) Risk Implications

The main risks of moving to 0800 freephone numbers are the potential impact this would have on taking forward the digital programme; the unknown change in calling patterns and impact on service delivery in the Contact Centre.

The costs of the change cannot be accurately forecast in terms of direct payments for the service, calls and the additional resources required to handle calls compared to more efficient digital business. In an environment where the council has not yet identified a means to address its predicted budget gap, the significance of unknown additional costs must be considered high risk.

(e) Staffing Implications

There is the potential that if call volumes increase by introducing a Freephone service that additional Customer Service Advisors will be required to maintain the current level of service. There will be implications for ICT staff required with the installation and configuration changes to deliver the Freephone solution.

(f) Property

There are no property implications with this report

(g) Equalities/Socio Economic Impact

There are no Equalities/Socio Economic impact associated with the report. There would be no change to access to BSL users as part of this solution.

(h) Climate Change and Biodiversity Impacts

There are no climate change and Biodiversity impacts directly associated with this report. There may be a small one time increase associated with updating printed material.

(i) Consultations

The equal opportunities officer and Committee Services Officer have been consulted as part of this report and feedback incorporated.

5. CONCLUSION

5.1 The introduction of Freephone numbers will increase costs for the council.

5.2 We have a number of measures in place with free access to telephones in all Information Hubs and HQ Annexe Reception. We also call back users when asked. We have no evidence on the number of requests we receive from service users to call back due to cost of calls.

5.3 Unable to predict the impact on call patterns by introducing Freephone numbers and affect this would have on current call handling performance and staffing requirements in the Contact Centre.

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Background Papers:

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