

## Customer Services

Contacts for waste and street cleansing services makes up a significant proportion of contacts via customer service teams for each local authority (either directly or indirectly), with around 36,000 contacts being handled by the call centres and approximately a further 19,000 contacts being managed by self-service online forms which directly integrate into the waste management IT system. The sheer volume of work completed (14.4 million bin collections annually) means that even in high performing services, service requests regarding service problems like missed collections are inevitable. Contacts can range from general basic interactions and questions (not recorded in the waste management IT system), service requests such as requests for new bins, through to complex complaints. The current provision for the service is split with NHDC waste customer service handled by the contractor and EHC handled by the corporate customer service centre (CSC). Following member workshops, the Executive/Cabinet agreed to keep services in-house for EHC and bring services in house from NHDC. The decision now needs to be whether this is:

1. Two separate CSCs one for each authority
2. NHDC leading on CSC on behalf of EHC
3. EHC leading on CSC on behalf of NHDC

## Customer Services Options Appraisal

<b>Option</b>	<b>1 (separate)</b>	<b>2 (NHDC)</b>	<b>3 (EHC)</b>
Reputational	<input checked="" type="checkbox"/> Retain control of messaging to residents  <input checked="" type="checkbox"/> Consistency with corporate CSC 'look and feel'  <input checked="" type="checkbox"/> That standards and performance is different for each authority.	<input checked="" type="checkbox"/> Potential loss of control over messaging to staff and residents  <input checked="" type="checkbox"/> Consistency of messaging across shared service  <input checked="" type="checkbox"/> Residents unable to understand the relationship with other council and deferring to own council.	<input checked="" type="checkbox"/> Potential loss of control over messaging to staff and residents  <input checked="" type="checkbox"/> Consistency of messaging across shared service  <input checked="" type="checkbox"/> Residents unable to understand the relationship with other council and deferring to own council.
Financial	<input checked="" type="checkbox"/> No additional financial pressure for EHC  <input checked="" type="checkbox"/> Potential financial pressure for NHDC with contractor staff being TUPE'd over, they would be entitled to LGPS	<input checked="" type="checkbox"/> Potential additional pressure following TUPE of staff from contractor  <input checked="" type="checkbox"/> Potentially reduced staff costs over 1 due to economies of scale.	<input checked="" type="checkbox"/> Additional cost burden to EHC albeit a recharge to NHDC  <input checked="" type="checkbox"/> Potentially reduced staff costs over 1 due to economies of scale.

	<input checked="" type="checkbox"/> IT system integration and set up likely more costly than 2 or 3 due to being required twice.  <input checked="" type="checkbox"/> Allows each authority to invest and progress with their transformation programmes as scheduled	<input checked="" type="checkbox"/> No reduction in overheads  <input checked="" type="checkbox"/> EHC transformation project becomes less financially viable.  <input checked="" type="checkbox"/> Potential VAT issues when taking payments if using one FMS  <input checked="" type="checkbox"/> Additional costs for IT integration for existing and new online services  <input checked="" type="checkbox"/> Access to two payments systems needed as income is to be managed by separate authorities.	<input checked="" type="checkbox"/> Unlikely reduction in overheads  <input checked="" type="checkbox"/> Potential VAT issues when taking payments if using one FMS  <input checked="" type="checkbox"/> Additional costs for IT integration for existing and new online services  <input checked="" type="checkbox"/> Access to two payments systems needed as income is to be managed by separate authorities.
Legal	<input checked="" type="checkbox"/> No additional GDPR arrangements required	TUPE Would require changes to the Data sharing agreement  <input checked="" type="checkbox"/> Potential licencing issues for software	TUPE Would require changes to the Data sharing agreement  <input checked="" type="checkbox"/> Potential licencing issues for software
Operational	<input checked="" type="checkbox"/> opportunity to align processes between two CSCs under council control whilst retaining sovereignty  <input checked="" type="checkbox"/> potential for Inconsistencies in online offering due to commitments of transformation programme of resources	<input checked="" type="checkbox"/> Customer service staff for contractor will be TUPE'd over from contractor, detail operational knowledge passing from contractor  <input checked="" type="checkbox"/> Training required for rest of CSC staff	<input checked="" type="checkbox"/> CSC contractor staff transferring already trained.

On balance the recommendation would be to retain ownership of customer contact handling and customer services, to ensure the delivery of this element of the service is in line with each Authorities priorities. In East Herts, there is also an additional driver due to the investment in a new customer management relationship (CRM) system, the council would achieve a greater return by retaining waste transactions. This allows the benefits of the council's transformation programme to be realised.

As each authority has also identified that it is preferable to manage their own income (see Section 5); it would also present additional challenges for customer services to be provided by one authority, as two payment systems would need to be accessible to a joint customer service team. This also has further additional implications for digital services.

The waste client team and transformation teams will facilitate a cross council business process mapping exercise to align processes.

## **Digital Services**

A number of services are already available online with full integration with back office systems including:

- Reporting missed bin collections (approximately 50% recorded online)
- Subscribing to garden waste services (over 80% online)
- New and replacement bin requests
- Collection day look up

There are a number of other services which can be reported online, however these webforms result in an email being sent either to customer service teams or the client team and therefore are not currently fully integrated.

All current fully integrated online services are provided as part of the waste contract. These online facilities will cease to function at the end of April 2025 and a new alternative solution is required to provide a seamless transition for residents. Subject to the recommendation for customer services being agreed, the following options will be considered:

- Online digital services delivered by each authority
- NHDC lead
- EHC lead
- Hybrid (option only available if both Councils utilise same CRM systems)

The hybrid approach being one where one authority leads on the development of all online integrations necessary (to reduce development costs) but each Councils sets up web forms in their own CRM system.

## **Options Appraisal Digital Services**

<b>Option</b>	<b>1 (separate)</b>	<b>2 (NHDC)</b>	<b>3 (EHC)</b>
Reputational	<input checked="" type="checkbox"/> potential inconsistencies in the delivery timeframes for each authority.  <input checked="" type="checkbox"/> Delivery in line with corporate priorities  <input checked="" type="checkbox"/> Look and feel consistent with individual Council websites.	<input checked="" type="checkbox"/> no current corporate steer for full integration of web forms	<input checked="" type="checkbox"/> Some delay in implementing new online options already experienced due to IT resource levels
Financial	<input checked="" type="checkbox"/> Cost of integration development would be covered by each authority providing flexibility to do more or less if needed	<input checked="" type="checkbox"/> Cost of development integration could be reduced	<input checked="" type="checkbox"/> Cost of development integration could be reduced

	<input checked="" type="checkbox"/> Duplicated costs for the provision of garden waste portal  <input checked="" type="checkbox"/> Integration expensive, particularly if consultants are engaged	<input checked="" type="checkbox"/> Viability of EHC transformation programme reduced  <input checked="" type="checkbox"/> Integration expensive, particularly if consultants are engaged	<input checked="" type="checkbox"/> Integration expensive, particularly if consultants are engaged
Legal		<input checked="" type="checkbox"/> Potential software licencing issues	<input checked="" type="checkbox"/> Potential software licencing issues
Operational	<input checked="" type="checkbox"/> ability to prioritise resources and expertise  <input checked="" type="checkbox"/> existing services not being delivered in new contract  <input checked="" type="checkbox"/> Twice the impact on the client team in terms of business process mapping and testing than option 2 or 3  <input checked="" type="checkbox"/> Delivery timelines for each authority may differ, agreement would need to be sought to align timelines	<input checked="" type="checkbox"/> existing services not being delivered in new contract  <input checked="" type="checkbox"/> lack of available technical expertise to implement.	<input checked="" type="checkbox"/> Currently not being delivered  <input checked="" type="checkbox"/> existing services not being delivered in new contract  <input checked="" type="checkbox"/> lack of available technical expertise to implement.

Neither authority has undertaken back-office integration with a CRM system and there is no permanent staff resource dedicated to this work at either authority. However, NHDC does now have an application development team who may be able to consider undertaking work on integration, subject to more detailed understanding of the work involved and timeframes.

Whilst it is still unknown whether both Councils will be utilising the same CRM systems it is not possible to consider the hybrid solution but this will be considered again should the Councils digital solutions be aligned.

There will be costs associated with the development for both authorities, which may be significant, should it be necessary to employ consultants to undertake the works. It is expected that estimated costs will be available for budget workshops in October.

## **Financial Management**

Financial management is delivered separately for and by each authority creating a level of duplication, differing burdens and requirements for the client team. There is also a level of inconsistency in functionality i.e. NHDC can provide direct debits whilst currently EHC cannot, NHDC debtors processes are automated, while the EHC process is not.

The delivery of direct debits and automated debt management processes are anticipated to be delivered by November 2023 in EHC and with necessary real-world testing it is anticipated that direct debits for garden waste (circa 25,000) could be migrated to in-house systems by February 2024 in time for the next subscription year.

Secure card payment systems are being reprocured by EHC and the preferred supplier will be appointed via the Crown Commercial Services Framework in May and the system is anticipated to be delivered by November 2023. This would enable circa 8000 customers to be managed securely in-house in accordance with the Payment Card Industry Data Security Standard and allow an end-to-end card payment integration on the web site.

NHDC are in the process of reprocuring and/or upgrading both the financial management system and payment system. Transition to in-house management of garden waste income is therefore not possible until this work is complete. For direct debits (circa 21000 customers) this is currently being investigated for an implementation for the next subscription year, however implementation by 2025 is necessary. For card payments (circa 8000 customers this is due by April 2024.

The move to in-house income management for garden waste is also dependent on successful integration with the existing garden waste portals and any subsequent re-procurement of these systems for each authority.

The options moving forward are:

1. Continue to deliver via current method, two separate authorities
2. NHDC lead
3. EHC lead

## **Options Appraisal Financial Management**

<b>Option</b>	<b>1 (separate)</b>	<b>2 (NHDC)</b>	<b>3 (EHC)</b>
Reputational	<input checked="" type="checkbox"/> Clear to residents and businesses who they are transacting with  <input checked="" type="checkbox"/> potential administration impacts during aligned garden waste subscription year	<input checked="" type="checkbox"/> systems currently being reprocured	<input checked="" type="checkbox"/> debt recovery not automated creating issues of businesses receiving services that aren't paid for and delays in management of debt  <input checked="" type="checkbox"/> currently no direct debit functionality for

			commercial waste nor garden waste
Financial	<input checked="" type="checkbox"/> ability to change GW charge annually without being charged by contractor, therefore reducing cost  <input checked="" type="checkbox"/> Inconsistency in debt management	<input checked="" type="checkbox"/> Additional cost burden to NHDC albeit a recharge to EHC, therefore increasing cost to EHC  <input checked="" type="checkbox"/> reduced staff costs over 1 due to economies of scale e.g. GW financial admin.  <input checked="" type="checkbox"/> Additional income reconciliation necessary between authorities	<input checked="" type="checkbox"/> Additional cost burden to EHC albeit a recharge to NHDC, therefore increasing cost to NHDC  <input checked="" type="checkbox"/> reduced staff costs over 1 due to economies of scale.  <input checked="" type="checkbox"/> Debt recovery process currently inefficient and resulting in greater debt levels.  <input checked="" type="checkbox"/> No user tested DD system presents risks to GW service delivery.  <input checked="" type="checkbox"/> Additional income reconciliation necessary between authorities
Legal		<input checked="" type="checkbox"/> Potential VAT implications when operating as an agent on behalf of EHC	<input checked="" type="checkbox"/> Potential VAT implications when operating as an agent on behalf of NHDC
Operational	<input checked="" type="checkbox"/> Duplication of work and separate processes  <input checked="" type="checkbox"/> Pinch point of additional admin in two systems in Jan/Feb/Mar for GW and trade waste administration.	<input checked="" type="checkbox"/> reduced administrative burdens  <input checked="" type="checkbox"/> Higher levels of auditing from VAT.	<input checked="" type="checkbox"/> Currently not in a position to deliver DD  <input checked="" type="checkbox"/> Higher levels of auditing from VAT.

Both Councils have identified and acknowledge the additional administrative burden of some of the existing financial management processes. However, there are significant risks of one council operating on behalf of one another, including an additional auditing pressure related to VAT, as well significant income reconciliation impacts.

Spend on the contract will be presented to partnership board annually.

## Communications and Marketing

Communications and marketing is delivered separately by each authority creating some inconsistencies in relation to corporate priorities of waste messages. The NHDC corporate service in terms of officer resource, is over twice the size of EHC, therefore there is potential benefit in aligning some aspects of comms.

The service changes will require a significant focus on comms with a need for additional resource to deliver more targeted campaign work. A new dedicated Waste Communications Officer post was identified and this role will focus on non-corporate communications, such as targeted communications in relation to specific campaigns, targeted local communications in relation to low performing areas and the capture of certain materials in the recycling streams. This will also include working with local schools and community groups for face-to-face communications.

The options moving forward are:

1. Continue to deliver via current method, two separate authorities
2. NHDC lead
3. EHC lead

## Options Appraisal Communications and Marketing

<b>Option</b>	<b>1 (separate)</b>	<b>2 (NHDC)</b>	<b>3 (EHC)</b>
Reputational	<input checked="" type="checkbox"/> Inconsistent messaging and design for the shared service  <input checked="" type="checkbox"/> differing priorities from each council.  <input checked="" type="checkbox"/> Able to provide local focus for comms  <input checked="" type="checkbox"/> Able to maintain corporate look and feel	<input checked="" type="checkbox"/> branding and style may not be consistent with corporate style of other authority	<input checked="" type="checkbox"/> branding and style may not be consistent with corporate style of other authority
Financial	<input checked="" type="checkbox"/> Slightly increased costs where design work is duplicated and reduced economy of scale when printing.  <input checked="" type="checkbox"/> Differences in budget impacts on time spent and value placed on comms		
Legal			Potential TUPE



Operational	<input checked="" type="checkbox"/> Comms more easily managed by CSC teams in line with corporate priorities  <input checked="" type="checkbox"/> Local knowledge	<input checked="" type="checkbox"/> dedicated corporate designer, more capacity within team	<input checked="" type="checkbox"/> Reduced functionality following savings exercises
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## Legal Services

Both authorities have over the last year struggled to recruit contract and procurement lawyers. The current procurement is being delivered via an external provider at significant cost to each authority. Though as a temporary solution this has been beneficial it is not sustainable in the long term. A decision is needed on how to proceed with legal advice moving forward in relation to client relationship with the contractor. Each Council would be expected to seek their own advice on any matters relating to the Inter Authority Agreement (IAA) or working relationship between the two authorities. The options as per other items are:

1. Retain external advice
2. NHDC lead
3. EHC lead

## Options Appraisal Legal Services

<b>Option</b>	<b>1 (external)</b>	<b>2 (NHDC)</b>	<b>3 (EHC)</b>
Financial	<input checked="" type="checkbox"/> Expensive outside of long term contractual arrangements	At cost recharges to other authority.	At cost recharges to other authority.
Legal	<input checked="" type="checkbox"/> Reliance on external advice with minimal internal expertise to challenge	Each authority would need reassurance that the other authority's interests are well represented	Each authority would need reassurance that the other authority's interests are well represented
Operational	Consistent high quality advice provided in a timely manner	<input checked="" type="checkbox"/> Ongoing recruitment and retention issues	<input checked="" type="checkbox"/> Ongoing recruitment and retention issues

## Governance

Historically, some decisions have been taken independently by each authority such as the implementation of a chargeable garden waste service. Given the commitment from both authorities to align services and create effective and efficient administrative processes as a result, it is necessary to review the governance arrangements. The options for governance are:

1. Retain model of partnership board and update the IAA
2. Delete the partnership board and introduce a formal Joint waste committee
3. Amendments to constitution and delegated decision making for officers to facilitate partnership arrangements with oversight by Partnership Board

## Options Appraisal Governance

<b>Option</b>	<b>1 (current model)</b>	<b>2 Joint waste committee</b>	<b>3 Constitutional amendments</b>
Reputational	<input checked="" type="checkbox"/> Political priorities maintained for each Council	<input checked="" type="checkbox"/> Unified approach despite any political differences.  <input checked="" type="checkbox"/> Leading the way in Herts  <input checked="" type="checkbox"/> Potential for reduced political influence	<input checked="" type="checkbox"/> Decision making consistent between authorities
Financial	<input checked="" type="checkbox"/> No financial changes or pressures	<input checked="" type="checkbox"/> Potentially additional costs associated with administration of additional committees.	<input checked="" type="checkbox"/> No financial changes or pressures
Legal	<input checked="" type="checkbox"/> Potential for contractual and procurement complications if differing decisions made  <input checked="" type="checkbox"/> Only route for dispute management is utilising the collaboration agreement if differing decisions are made	<input checked="" type="checkbox"/> Complex delegations required  <input checked="" type="checkbox"/> Potential complexities around scrutiny	<input checked="" type="checkbox"/> constitution changes required  <input checked="" type="checkbox"/> Potential complexities around scrutiny
Operational	<input checked="" type="checkbox"/> Currently no formal joint decision making	<input checked="" type="checkbox"/> no risk of differing decisions being made by either authority	<input checked="" type="checkbox"/> no risk of differing decisions being made by either authority