



**Author/Lead Officer of Report:** Paul Taylor,  
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**Report of:** *Eugene Walker, Executive Director of Resources*

**Report to:** *Resources Leadership Team*

**Date of Decision:** *31st October 2017*

**Subject:** *101 Out of Hours Insourcing Project*

Is this a Key Decision? If Yes, reason Key Decision:- Yes  No

- Expenditure and/or savings over £500,000
- Affects 2 or more Wards

Which Cabinet Member Portfolio does this relate to? ***Olivia Blake, Deputy Leader and Cabinet Member for Finance***

Which Scrutiny and Policy Development Committee does this relate to? ***Overview & Scrutiny Management Committee***

Has an Equality Impact Assessment (EIA) been undertaken? Yes  No

If YES, what EIA reference number has it been given? ***EIA 1315***

Does the report contain confidential or exempt information? Yes  No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”*

### **Background and Purpose of Report:**

In June 2005 the 101 Service in partnership with South Yorkshire Police (SYP) went live. The Service has provided a 24/7 single telephone number for people to report antisocial behaviour and quality of life issues and has proved a life line for people who may not previously have reported issues to either the Council or Police.

The Council has continued to support this access channel by being one of the only 5 councils involved in the original pilot which at that time was funded by the Home

Office with the call centre based in SYP's call centre in Atlas Court.

Despite funding being withdrawn from the Home Office in 2007, the partnership continued (between 2007 and 2010) with a combination of exit funding from the Home Office and a contribution from the Council.

Later in 2010, a new proposal was presented to the Police and Police Authority to look at securing the 101 service in Sheffield by financing the service in a different way. This involved creating a new shared service with the police and not only retaining the successful 101 service but to transfer the handling of calls for 3 out of hours services from the Council to 101. The 3 out of hours services identified continued to provide telephone access to vulnerable adults, children and homeless customers.

This Shared Service agreement between the Council and South Yorkshire Police was in place until it expired in March 2015. Since then although no formal contract is in place (which allows us to terminate the arrangement any time), a Waiver is in place until 31<sup>st</sup> March 2018 which allows the Council to make ongoing payments to SYP on a month by month basis.

In addition, despite the 101 service being available to all South Yorkshire residents (in line with the SYP policing model); Rotherham, Barnsley and Doncaster Councils have never contributed to the funding of this service.

However, in April 2017, Customer Services successfully implemented Stage 1 of this project to establish an internal facility to handle all calls for Council Housing Repairs. This service is now based at our Manor Lane out of hours site - a secure and spacious facility, which currently has capacity to deliver more quality work

As the Council is now facing its own ongoing budget pressures, there is now an opportunity to consider a new service delivery model which will improve the customer experience whilst reducing the overall cost to the Council.

The purpose of this report is to seek permission to insource into the council the call handling services for out of hours adults, childrens, homeless and antisocial behaviour (council related only enquires) that are currently delivered by South Yorkshire Police.

**Recommendations:**

1. Delegate authority to Director of Finance and Commercial Services in consultation with the Director of Legal and Governance to terminate any existing Shared Service Partnership Agreement in respect of the Out Of Hours Telephone Service with South Yorkshire Police
2. Delegate authority to Director of Finance and Commercial Services in consultation with the Director of Legal and Governance to insource the current Council only related telephone enquiries out of hours service for adults, children's, homeless and antisocial behaviour (currently delivered by South Yorkshire Police).
3. Delegate authority to Director of Commercial Services in consultation with the Director of Legal and Governance to take all other necessary steps not covered by existing delegations to achieve the outcomes outlined in this report.

**Background Papers:**

- Full Business Case – dated September 2017

<b>Lead Officer to complete:-</b>		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>(Insert name of officer consulted)</i> <b>Paul Schofield</b>
		Legal: <i>(Insert name of officer consulted)</i> <b>Henry Watmough-Cownie</b>
		Equalities: <i>(Insert name of officer consulted)</i> <b>Adele Robinson</b>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	<i>(Insert name of relevant Executive Director)</i> <b>Eugene Walker</b>
3	<b>Cabinet Member consulted:</b>	<i>(Insert name of relevant Cabinet Member)</i> <b>Olivia Blake</b>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name: Paul Taylor</b> <i>(Insert name)</i>	<b>Job Title: Head of Customer Services</b> <i>(Insert job title)</i>
	<b>Date: 27.9.2017</b>	

## 1. PROPOSAL

1.1 To expand our current out of hours service delivery model by:  
Insourcing the out of hours calls for adults, children's, homeless and antisocial behaviour (council related only enquiries) currently delivered by SYP.

1.2 To give formal notice to cease payment to SYP  
Following a comprehensive communications strategy the insourcing project will be completed by 1<sup>st</sup> April 2018 (likely to be from 1<sup>st</sup> February 2018). Reasonable notice (3 months) to cease payment will be provided to SYP.

1.3 To improve the customer experience for these insourced services by improving call performance and call quality.  
The current out of hours Housing Repairs service currently over achieves in performance answering 96% of calls (against a target of 85%).

Conversely, for the period Feb 2016 – Feb 2017, SYP call performance dipped as low as 23.1% for its homeless service enquiries. These vulnerable callers were abandoning between 26 and 35 secs and then redialling, as they are unable to get through. 101 Project Board meeting minutes also evidence the feedback from Council stakeholders relating to poor call performance and ICT issues.

1.4 To reduce overall costs for service delivery:  
The current cost of delivering the service via SYP is £252,000 per annum. This existing Customer Service revenue budget will bear the implementation costs of Phase 2 for this insourcing project – 101 Shared Service with South Yorkshire Police.

The actual project costs including insourcing the 101 Shared Service will be **£202,330** per annum, resulting in savings of **£49,670**.

## 2. HOW DOES THIS DECISION CONTRIBUTE ?

2.1 The review of the OOH provision will underpin the '**An In-touch Organisation**' corporate objective by:

- Making better use of public money - Utilising economies of scale so that services are delivered from a single location will offer a significant reduction in annual operating costs
- Responding to the changing needs of our customers – Through joined-up services that are consistent in their delivery, with mapped workflow and information flow, the customer experience will be improved
- Valuing our employees - In optimising roles and responsibilities and providing effective training and tools, our valuable staff members will

be better enabled to carry out their roles

### **3. HAS THERE BEEN ANY CONSULTATION?**

3.1 All stakeholders have been consulted with and we have unanimous support with council partners for insourcing as detailed above. These include individual workshops with Adults and Children's Services (and links with Whole Family Project team), the Housing and Homeless teams, South Yorkshire Police including the Police Crime Commissioner and the existing Repairs staff who welcome these changes as an exciting development opportunity.

Further, consultation has also taken place with Councillor's Blake, Dunn, Hughes and Drayton who are also in agreement.

Sheffield Council Unions are already broadly aware of these proposals and will also be consulted further on 10<sup>th</sup> October 2017.

The project will also provide a clear communications strategy regarding the changes to be made.

### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

#### **4.1 Equality of Opportunity Implications**

4.1.1 The transfer of the Adults, Children, Homeless and Antisocial Behaviour (council only related) Services should provide a positive impact for customers as the Council will be fully responsible for all calls and enquiries relating to these Services also improving quality and reducing call waiting times.

#### **4.2 Financial and Commercial Implications**

4.2.1 Reduction in overall cost to deliver this service of £49,670

#### **4.3 Legal Implications**

The Localism Act 2011 provides the Council with a 'general power of competence' which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited.

In addition to the financial considerations there are other potential Commercial / Legal issues that have been considered as part of the process for bringing these services inhouse. Legal are advised that there are no TUPE implications .

#### 4.4 Other Implications

- 4.4.1 HR and Legal advice have been have been consulted. Legal has considered TUPE and advised that it would not apply. SYP have also considered TUPE and have advised that there are no TUPE implications. No other staff implications i.e. Achieving Change is not required.
- 4.4.2 Strategic Insurance have also reviewed the proposals and confirm that there are no issues from an Insurance and Risk perspective – as it is a natural function of our business operations that we are taking back control of, the Councils existing Public Liability and Employers Liability insurances will operate automatically.

There are no professional indemnity issues as this isn't a service we are delivering to another external party for a fee.

Any variations in FTE's required to deliver the service will automatically be picked up when payroll figures are declared to insurers at each renewal.

There are no new risk issues to consider as we are already operating an out of hours service from the same location so your safe working practices are already be in place.

### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 SYP have also more recently advised that they do not consider the Partnership viable unless they maintain a charging model for funding their 11 FTE at £252,000. This negates any option to negotiate year on year reductions in costs whilst seeking to improve the customer experience. Despite this assertion, SYP have been unable to consistently achieve the service delivery target of answering 90% of calls within 30 seconds.

A soft market tender was also undertaken in the earliest stages to see the appetite for procurement for OOHs service delivery by an external third party. The results were few and those received were extremely expensive and hence not considered as a viable option.

As is clearly documented, insourcing is the current financially viable option.

### **6. REASONS FOR RECOMMENDATIONS**

- 6.1 Assuming that all of the existing shared services (excluding the Police non-emergency calls) can be consolidated creating economies of scale, then it is anticipated that the overall net effect of the financial case will be positive in terms of realising financial cashable savings to the sum of

**£49,670.**

There are also a number of non-financial benefits and opportunities that may be realised following insourcing as follows:

- To improve call the customer experience for these customers
- To reduce risk to vulnerable customers by improving call performance and call handling quality
- To deepen and improve relationships between in-house council teams
- To provide signposting to council wide range of 3<sup>rd</sup> party services, hence providing a more holistic service delivery for these customers
- To use established referral process for emergency calls to SYP
- To maintain synergies with SYP via back office (Neighbourhoods Intervention and Tenant Support team
- To enable SYP to deal with their core offer (immediate life/death ASB calls) rather than being bogged down with non-core work
- To review processes and ensure improvements are made to improve service delivery to customers
- Co-location of children's social worker with OOHs insourced team at Manor Lane