



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Officer Delegated Decision

6 February 2023

Richard Wyles, Chief Finance Officer

Virtual Operator Service

The report seeks approval to implement the use of a Virtual Operator for switchboard calls received by the Council corporate Customer Service Team.

Claire Moses

Head of Revenues, Benefits and Customer Service

Claire.moses@southkesteven.gov.uk

Decision made by:	Richard Wyles, Chief Finance Officer
Decision:	To approve the use of a Virtual Operator for switchboard calls received by the Council corporate Customer Service Team
Public or Exempt:	Public
Reasons for exemption:	N/A
Conflicts of interest:	No
Policy compliant:	Yes
Details of delegation:	The Council's Contract Procedure Rules allow for the approval of the award of contracts with a total value of up to £200,000 to be given by the relevant Director.

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance

- 1.1 By implementing a voice activated 'Virtual Operator Service' this would be at an estimated one-off cost of £20,675.
- 1.2 There would be annual support of £1,882.28.
- 1.3 The total cost in year one, and annually thereafter is detailed below and will be funded from the IT reserve:

Product	Cost	
	Year 1 (2023/24)	Year 2 (2024/25) onwards
Software and licensing	£13,335	£0
Mitel Professional Services	£6,590	£0
4Sight Professional Services (1 day support)	£750	£0
Annual Support (Year 2 onwards support + inflation)	£1,882.28	£1,882.28
Total	£22,557.28	£1,882.28

Financial Implications reviewed by: Richard Wyles, Chief Finance Officer

Legal and Governance

- 1.4 The total value of the contract over its lifetime is under £200,000 and therefore meets the criteria to be considered by the Director with responsibility for the service area.

Legal Implications reviewed by: Graham Watts

Equality and Safeguarding

- 1.5 This decision has no significant impact on the equality and safeguarding. Someone contacting the Council can still use the numbered options that are currently in place.

2. The Purpose of the Report

- 2.1 To seek approval for the use of a Virtual Operator (VO) through our current telephony provider, Mitel, for switchboard calls, which will reduce the number of calls to the traditional manual switchboard requiring processing by Customer Service Advisor's (CSAs).
- 2.2 A VO solution would allow callers to the council to be greeted and automatically routed to the extension or service area directly. This would improve the speed of which calls are handled and reduce the need for CSA's to answer switchboard contacts.

How the Virtual Operator works:

- 2.3 The system works by voice activation and speech recognition, asking the caller to state which service or officer they require, by name.

Impact on the customer:

- 2.4 A VO keeps phone lines covered at all times and helps to correctly direct customers without the need to re-dial, if busy.
- 2.5 Providing the customer correctly states which service or officer they require; the call will be routed correctly first time. The current IVR (Press 1, press 2 options) can be complex, with customers often choosing the wrong department, requiring them to be re-routed – resulting in a longer call time than necessary.
- 2.6 This provides a consistently good customer journey every time a customer contacts SKDC with calls routed to the right people every time.

Resource and Support Required:

- 2.7 Mitel: To implement the changes in the system.
- 2.8 SKDC resource required:
 - (a) Performance and Customer Improvement Lead: To support mapping of the journey and work on the 'As is' to 'To be'
 - (b) IT Support and Customer Service: Implementation project management
 - (c) Service areas: To compile a directory of key words to ensuring VO can route the customer to the correct team

Timeline:

- 2.9 **Phase 1 – 22/23**
- 2.10 The implementation of VO will not take place during 2022/23, however, preparation can take place with the relevant key teams and service areas.

2.11 This is due to significant and key projects across Customer Service, ICT and other Service areas taking place in Q4 2022/23. Implementation of this project could put pressures on these service areas to the detriment of already established projects

2.12 **Phase 2 – 23/24**

2.13 Virtual Operator Service software purchased as one off cost £20,675 plus Annual support and maintenance cost of £1,883.

2.14 Q1 2023/24 will see project planning activities taking place with a view for VO to be in operation from 1 October 2023

2.15 Planning of the project will take place from Q1 2023/24 with ICT, Customer Service, and internal team resources. This will include:

- Communications and retraining of the staff to manage in a different way of managing 'off-line' switchboard contact
- Discussions with service areas for key words
- Service areas starting to consider changes to their correspondence with customers and web pages – once live, to include the key word needed in all correspondence being issued to ensure they are routed to the correct
- Training is needed on working with new telephony technology and blended handling by Advisors.
- Introduction of telephony protocols will have been in place for at least 3 months, linking to the customer being able to leave a voicemail, for the correct person / team
- Customer Service will undertake an annual review of telephony demand and service staffing.

Indicative reduction in FTE

2.16 Other councils introducing the same technology have made a reduction in FTE in the first two years of operation as they experienced a reduction of up to 50% in switchboard operator calls.

2.17 By reducing the number of switchboard operator calls would allow the customer service team to support other departments in call handling thus reducing costs in other service areas.

2.18 A possible 50% reduction in the average annual 53,866 switchboard contacts could result in a 0.3 FTE saving by the end of year 2. Recent data shows 20 hours per week on switchboard call handling and so a 50% reduction would reduce the handling time by 10 hours per week.

2.19 This reduction is shared across South Kesteven DC as the switchboard is a corporate function, therefore, any FTE saving would be shared across all budget areas.

Efficiency savings

2.20 Customer efficiencies

2.21 As long as the customer correctly states which service or officer they require; the call will be routed correctly first time. The current IVR can be complex, with customers often choosing the wrong department, requiring them to be re-routed – resulting in a longer call time than necessary.

2.22 Improved use of voicemail by service areas (as part of the telephony protocol) to ensure customers receive call backs in a timely manner and by the correct person / service area.

2.23 Regardless of the service area the customer wants to contact, they will receive the same consistent level of service.

2.24 Service area efficiencies:

2.25 There are a number of occasions where the customer has selected the wrong service area and is transferred internally by that team – for example, a customer will select “benefits” for rent queries – resulting in the customer being transferred to another team and potentially sitting within another queue for their enquiry to be responded to.

2.26 Each service area can create different menus for operating hours, holidays, training days, team meetings etc – allowing the system to serve callers with the best options and announcements for all situations.

2.27 Customer service efficiencies:

By saving 0.30FTE, CSAs will be able to utilise that resource in other areas for improved service – such as email, online improvements, or face-to-face contact.

3. Available Options Considered

3.1 To continue without the virtual operator.

4. Preferred Option

4.1 The preferred option is to proceed with the implementation of the Virtual Operator.

5. Reasons for the Decision(s)

5.1 These are detailed in the report.

Signed by: Richard Wyles, Chief Finance Officer

Date: 23.2.23

