

Report to the Board

22 September 2016



Title: Withdrawal of payment counter services

Report of: Director of Customers and Communities

Purpose of Report

1. To update the Board on the withdrawal of payment counter services at Birtley, Leam Lane and Blaydon Offices.

Background

2. On 11 April, 2016, Gateshead Council's portfolio received a report outlining the proposed savings for 2017/18 which included the relocation of the housing teams from Dunston and Felling and the proposed closure of the remaining payment counters at Birtley, Leam Lane and Blaydon before 31 March 2017.
3. Following portfolio work to close the three remaining three neighbourhood payment counters has been developed that will support the efficiency savings targets for TGHC and contribute to the HRA budget savings required for 2017/18.
4. It was acknowledged that this activity will require the customer service points in the three buildings to be redesigned and a customer service offer put in place.

Birtley

5. Within the Birtley office there is an existing customer service reception point at the front of the building. Making better use of these existing facilities will (a) minimise the proposed level of works and costs associated with the removal of the payment counter and (b) enable a joined up approach to delivering customer services at this location to be implemented.
6. The payment counter at Birtley will close on the 30 September 2016 and the Neighbourhood Service Advisors team within TGHC will provide a customer facing service from the existing reception point.
7. A timetable has been developed which will see works to remove the payment counter commence on 3 October 2016. It is anticipated that the work at Birtley will be completed by the end of October 2016.

Leam Lane

8. At Leam Lane there is a requirement for a redesign of the existing payment counter area to provide a customer services.
9. As part of the redesign of the reception point, there is also the opportunity to remove some internal stud partition walls to provide open plan office space.
10. A timetable for the redesign has been developed which will see work to remove the payment counter commence on 24 October, 2016. As a consequence it is proposed that the payment counter at Leam Lane will close on 21 October 2016.
11. During the work Neighbourhood Service Advisors team from TGHC will be temporarily relocated in the foyer of the building to provide frontline customer services.
12. It is anticipated that the work at Leam Lane will be completed by the end of November 2016.

Blaydon

13. Further to discussions with Ward Members, it is proposed that the payment counter at Blaydon would close on 28 October 2016.
14. Following closure of the payment counter there are works planned to redesign the area where the payment counter is located.
15. On closure of the payment counter the Neighbourhood Services Advisors team will provide a customer facing service from the existing reception in Blaydon working alongside the Libraries service team.

Customer Service

16. The proposals in this report are supported by the Councils Customer Contact Strategy, which promotes cost effective ways for customers to access services.
17. There are a range of payment options available that enable residents to pay rent and council tax, including pay points and the Post Office. In addition a number of self service options are available on-line and over the telephone, enabling payments to be made 24/7.
18. A joint customer service offer has been developed with the libraries service to enable general customer enquiries to be effectively responded to at the point of contact, with the more specialist enquiries being dealt with by TGHC or the Library service.
19. The views of ward members and customers have been sought to inform the customer service offer.

Link to Values

20. This report relates to the company values of being:
 - Customer focused
 - Open and honest

- Accountable
- Inclusive, valuing diversity
- Passionate about what we do

Impact on tenants

21. Customers will no longer be able to make payments at a housing office but there are a range of alternative ways to make payments, including direct debit, standing order, paypoint, post offices and online facilities. Information on the location of paypoint and post offices are being shared with customers, several of which are located closer to the estates than the housing office.
22. Currently approximately 28% of all customers across the borough pay rent at a payment counter, 72% paying by other ways such as paypoint/post office (27%), direct debit (20%) and the internet/telephone (18%).

Risk Management Implications

23. There is a risk that some customers may not pay their rent and other charges but we are engaging with customers and offering support to ensure they understand the changes and how they can make payments in the future.

Financial Implications

24. The Head of Corporate Services confirms that the cost of the work to redesign the customer service points will be paid for by the Council. On closure of the payment counters there will be annual savings to TGHC of £11,000 which are the direct costs associated with cash collection including insurance and security services.
25. The withdrawal of payment counter services will support the company's savings plans for 2017/18.

Equality and Diversity Implications

26. We will continue to work with and support all customers to ensure they are able to access services they need, including the payment of rent and other charges.

Value for Money Implications

27. The closure of the payment counters and the development of a customer service offer will provide opportunities for the delivery of value for money services aimed at meeting the needs of customers.
28. As there will be no payment counters, there will be a saving in relation to the cost of payment transactions. For each payment counter transaction the cost is £1.83. This higher than other methods such as Direct Debit (48p), Standing Order (11p), Post Office (44p), Paypoint (39p) Internet and telephone (3p).

Health Implications

29. No direct implications arising from this report

Environmental Implications

30. No direct implications arising from this report

Consultation carried out

31. The closure of the payment counters and the proposed customer service offer has been discussed with ward members in July and August 2016. Whilst there were some concerns raised by the Blaydon ward members about where customers could still pay by cash, no other objections were raised.
32. Customers have each received a postcard in mid-August to advise on the withdrawal of the payment counter service highlighting the alternative ways customers can pay their rent and other charges. In the build up to the payment counter closures we are speaking to customers and advising people on the alternative payment methods available.
33. A customer communication programme is in place which has supported this work promoting the wide range of payment options available and providing information on customer service to be provided from each location.
34. Consultation has been undertaken with the Trade Unions and any future impact on employees, will be the subject of a report to TGHC Resources committee.

Recommendation

35. The Board is recommended to note that: -
- The payment counter at Birtley will close on 30 September 2016
 - The payment counter at Leam Lane will close on 21 October 2016.
 - The payment counter closure at Blaydon will close on 28 October 2016
 - A customer service offer has been developed jointly with the Library service at all three locations