

ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	29/9/2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Use of 0845 numbers
REPORT NUMBER:	CG/11/128

1. PURPOSE OF REPORT

This report has been prepared in response to the following motion by Councillor Reynolds - referred from the meeting of Council of 27 April, 201.

‘With the ever increasing number of Aberdeen citizens who use a mobile telephone as against a land line, officers be instructed to bring forward a report as a matter of urgency, to the next appropriate committee, identifying ways in which 0845 numbers used by our services can be replaced with a local number, which will reduce the cost to our citizens’.

The report outlines the background and current thinking on the use of 0845 numbers by public sector organisations and makes recommendations on the steps Aberdeen City Council should take going forward.

2. RECOMMENDATION(S)

That the committee:

Approves the recommendation to publish local (01224) numbers in addition to the 0845 numbers currently in use by Aberdeen City Council pending the outcomes of the Ofcom review of non-geographic numbers and the completion of the Alternative Delivery Model project for Corporate Governance.

Instructs officers to take the necessary steps to publicize the availability of (01224) numbers to ensure citizens are informed of their choices when calling for Aberdeen City Council services.

Further instructs officers to report back to this committee when the outcomes of the Ofcom review and ADM project are known to enable a decision to be made on whether or not to continue the use of 0845 numbers for the related services included in this report.

3. FINANCIAL IMPLICATIONS

There are varying costs applied by telephone line suppliers for the usage of Non Geographic and Geographic numbers, these can include monthly rental, charges for inbound calls outside of any inclusive minutes and cost for additional lines.

To provide some indication the Table 3 highlights the charges that BT levy for incoming calls on Non Geographic numbers.

Table 3: BT Tariffs to receive calls

Basic Call Charges			
Description	Pence Per Minute Rate		
	Day	Eve	W/E
0800/0808 rate	4.98	4.98	4.98
0845 rate	0.00 - 3.48	0.00 - 3.48	0.00 - 3.48
0870 rate	4.50	4.50	4.50
030 rate <i>(Only available for public services and not-for profit organisations)</i>	1.50- 3.48	1.50- 3.48	1.50- 3.48

(Source: <http://business.bt.com/phone-services/08-and-09-numbers>)

Under our current contract with BT, Aberdeen City Council pays a £13,900 flat rate for 24 months and there are no per-minute charges.

Under our current contract with BT, a decision to move to 03 numbers would incur a charge of .5p per minute chargeable to the Council for all incoming calls to this number series.

Although difficult to quantify financially, the Council's use of 0845 numbers may be driving customers to use the face to face customer service centre in Marishcal College instead of using the phone. This is supported by recent Ofcom research. As face to face customer service is more expensive than telephone service, any shift towards the telephone channel will drive down transaction costs and contribute to delivering the Channel Shift strategy in the Council's 5 year business plan.

Cost to Customer

Results from the resident's survey in 2009 indicated that approximately 70% of those who responded preferred to contact the council by phone. The council has received feedback from customers about the cost of calling the 0845 numbers. Customers have also enquired whether the council generates revenue from 0845 numbers. Although businesses

can generate revenue using a 0845 number, Aberdeen City Council does not use 0845 numbers for this purpose.

To gain a better understanding of the cost to our customers when using geographic and non geographic numbers, tariffs of some telecommunication service providers have been explored and compiled in Table 2: Telecommunication Services Tariffs. This is a very dynamic and competitive market and tariffs are constantly liable to change but there is a clear tendency for calls from mobiles to cost more when dialing a 0845 number than a geographic 01/02 number. The comparison of tariffs indicates that the cost to the customer calling a 03 (government-only) number from a landline or mobile would incur the same charge as calling a geographic 01/02 number.

Table 2: Telecommunication Services Tariffs

Telecoms Service Provider	Calls to non geographic number 0845		Calls to geographic numbers (01/02) & Non Geographic number 03		Calls to 0800
	Package	Standard Charge	Package	Standard Charge	
BT (from 1 st April 2010) <i>£11.94 line rental Call packages vary from £4.99 - £20 per month plus line rental.</i>	Free on some packages only.	5.9ppm	Free	5.9ppm	Free
Virgin (from 1 st April 2010) <i>£11.99 Line Rental Call packages vary from £3.25 to £29 per month plus line rental.</i>	Free on Talk Anywhere packages only.	10ppm + Connection 11p	Free	Between 1ppm and 8ppm	Free
Talk Talk (from 1 st June 2010)	N/A	Evening 1.5ppm Daytime 5.8ppm Connection 9.9p	Free on some packages	Between 1ppm and 8ppm	Free
O2 Home	N/A	4ppm + Connection 9p.	Free on some packages	Between 1ppm and 8ppm	Free
Mobile	Pay Monthly	Pay as you Go	Pay monthly	Pay as you go	
O2	25ppm	25ppm	25ppm	25ppm	15ppm
T Mobile	35ppm	40ppm	35ppm/ free depending on package	40ppm	Up to 40ppm
Vodafone	35ppm	25ppm	Free for inclusive minutes. 5ppm standard charge	20ppm	20ppm

(Source: information sourced from telecom service provider websites)

4. OTHER IMPLICATIONS

None

5. BACKGROUND/MAIN ISSUES

Aberdeen City Council implemented 0845 numbers in 2006 as part of a rationalisation strategy. The main driver was the streamlining of services with many different contact telephone numbers into a few 0845 numbers, creating a smaller selection of memorable numbers for the customer. The main services using 0845 numbers are listed below.

Service	Telephone number	Details
Housing Repairs – Council House repairs (including Homecheck)	08456 080929	Service requests for housing repairs to council houses
Environmental services including Roads & Street Lighting	08456 080919	Service requests for environmental services, roads and street lighting.
Council Tax, Housing Benefits & Council Tax Benefits	08456 080921	Service requests for Council Tax & Benefits.
Waste Aware Grampian (for Aberdeenshire & Moray Councils)	08456 005333	Similar to environmental services above but specifically relates to waste in the Grampian area. Service requests for Waste Aware Grampian are logged in the Council's CRM system.

Capability of Geographic and Non Geographic numbers

The Customer Contact Centre has resulted in a wider range of services being delivered through a telephone based contact channel, The focus of this section is to explore the capabilities and the limitations linked to Geographical numbers and Non Geographical numbers.

Non Geographic Numbers 0845 and 03

Non Geographic numbers help an organisation to establish a strong national presence, as the usage of these numbers is not determined by where the organisation is located.

0845 numbers assist in creating flexibility when managing call flows during periods of high demand, and for business continuity purposes. For example, during high call volume periods an agreed percentage of calls can be redirected to ensure a higher rate of call handling using resources in the optimum way. Using 0845 numbers enables the council to retrieve statistical information relating to caller volume, duration of calls, and also identifies repeat callers, all of which assist

with the ongoing development of the Customer Contact Centre, as well as enhancing the council's ability to monitor service provision and make sound business decisions using quality information. The statistical and performance functionality are provided as part of the number package from the number supplier, and reduces the need for additional investment in supporting technology.

The 03 numbers present the same capabilities as identified above however with the addition that these numbers are available exclusively to public and charity sectors, allowing the organisation to be recognised as a public sector, charity or non profit organisation as well as creating a strong national presence.

In addition to the above, non geographic numbers (03 and 0845) also offer a degree of flexibility for the organisation and continuity for the customer. The numbers can operate over multiple sites and if the Contact Centre or service teams who are using non geographic numbers relocate the numbers can be easily transported. Consequently customers would not be required to look up or memorise new numbers, reducing the need for re- publishing leaflets, service booklets or other marketing/ corporate materials.

Geographic Numbers 01 & 02

Using 01 and 02 geographic numbers helps the organisation to portray a local image. By using a local number service users are able to identify with the organisation.

The transportability of these numbers during periods of relocation is possible at an additional cost and is not necessarily seamless. Quick transportability for business continuity and disaster recovery is restrictive and would not necessarily contribute to the Council offering a seamless and resilient service.

The statistical information relating to caller volume, duration of calls, and identifying repeat callers is not readily available as part of the package from the telephone number provider, but can be retrieved by using the technology that supports routing of calls in the contact centre.

Options Considered

4 options were considered in the preparation of this report as follows:

1. Continue using 0845 non-geographic numbers for major services as per current practice.
2. Retain 0845 numbers but offer an alternative local (01224) number for callers using mobile phones.
3. Introduce the 03 (non-geographic) number series for use by government organisations. Callers pay no more for calling 03 numbers than they do for calling a geographic number (01 or 02)

according to the call package they have and the line they are calling from.

4. Switch from 0845 numbers to 01224 numbers for all main services.

Following detailed analysis of the options, officers have recommended option 2 namely publishing local (01224) numbers alongside the current 0845 number series. Further details are provided in the options appraisal below.

Option 1 provides the advantage of greater portability of numbers to allow calls to be directed to alternative locations for business continuity purposes or to multiple sites. However, with proper planning it will be possible to develop a suitable alternative using 01224 numbers. Many of the other benefits of 0845 numbers such as national presence and enhanced reporting do not apply to Aberdeen City Council as we are a local rather than national service. The technology used in the contact centre provides us with adequate reporting for our needs.

By relying exclusively on 0845 numbers, the Council imposes potential additional costs on the most vulnerable members of the community who disproportionately rely on mobile phones as their only or primary means of telephone contact. This is evidenced in research and findings conducted by the Cabinet Office and Ofcom who have stated

'Low income households are more likely to rely solely on a mobile phone, which tend to be more expensive to call NGCs than fixed lines. 26% of lower income (socioeconomic groups D and E) households were mobile only in Q1 of 2010, compared to 9% of ABC1 homes.⁶⁵ Low income householders are less likely to have access to alternatives such as contacting the SP via the internet. Only 54% of socio-economic groups D and E reported having a broadband connection at home in 2010, compared to 88% of ABs.⁶⁶

It is, thus, more difficult for these households to access socially important services affordably. For example, these callers can end up paying high prices for calls to essential public services such as some doctors' surgeries. HM Revenue & Customs also use 0845 numbers. Calls to these numbers can be priced between 25ppm and 40ppm from pre-pay mobile phones.⁶⁷ Citizens Advice also highlighted important private sector services such as helplines for gas suppliers which have numbers which would be low rate from a BT landline but are considerably more expensive for mobile customers

Thus, low income mobile only households are more likely to pay high prices to access important public services, which have a proportionately higher effect relative to their income. Alternatively they may take onerous actions to avoid making

such calls such as seeking out public payphones or calling from a Citizens' Advice Bureau.¹

'It is inappropriate for public bodies to use NTS numbers exclusively when dealing with people on low incomes or other vulnerable groups.'²

The continued use of 0845 numbers exclusively runs counter to Ofcom and Cabinet Office guidance on best practice for government services

Option 2 provides the most flexibility and balance for both the caller and the Council by giving callers a choice on which number is best for their needs whilst maintaining the benefits of improved business continuity and disaster recovery options. This option presents callers with the immediate opportunity to lower the cost of doing business with Aberdeen City Council and provides continuity whilst awaiting the outcome of the Ofcom consultation and the Council's ADM project.

Option 3 would incur additional per-minute charges to the council for all incoming calls and could still cause confusion for callers in relation to charges. Although the use of 03 numbers would deliver the same benefits in relation to business continuity as 0845s, it is considered that the additional per-minute costs do not deliver adequate benefits and the risk can be mitigated in other ways.

Regarding option 4, the use of 0845 numbers confers business and technical benefits particularly in the flexibility to move and transfer calls seamlessly either as part of normal operations or disaster recovery. The main obstacle is currently the additional cost to some customers using mobile phones. Pending the outcome of the Ofcom investigation into charging for non-geographic numbers it may be possible at a future date to achieve the benefits of 0845 numbers at no additional cost to callers using mobiles. It is therefore recommended that Aberdeen City Council delays its decision on discontinuing 0845 numbers entirely until the outcome of the Ofcom work is known.

Option 2 is therefore the recommended approach with a further evaluation in 18 month's time on the future use of 0845s.

6. IMPACT

Corporate – The recommended option will make it less expensive for callers using mobile phones to contact the Council for services,

¹ Simplifying Non-Geographic Numbers
Improving consumer confidence in 03, 08, 09, 118 and other non-geographic numbers

² Clarification Statement on Telephone Number Ranges – Cabinet Office First published May 2009 and updated February 2010

incentivising citizens to choose telephone contact over face to face contact through the Customer Service Centre. This will lower the overall cost of contact for Aberdeen City Council. The provision of both 01224 and 0845 numbers will also mitigate risks associated with technical or business outages requiring the Council to re-route calls to a backup facility.

Public – Members of the public will find it easier and in some cases cheaper to contact the Council by their preferred method. This will protect our most vulnerable citizens and enhance the image of the council.

7. BACKGROUND PAPERS

Simplifying Non-Geographic Numbers

Improving consumer confidence in 03, 08, 09, 118 and other non-geographic numbers (Ofcom, March 2010)

Clarification Statement on Telephone Number Ranges – Cabinet Office First published May 2009 and updated February 2010

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