

Approval to procure an automated solution to improve processing of Revenues Services transactions

Date: 18th May 2022

Report of: Head of Revenues Officer

Report to: Chief Officer Financial Services

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- Approval is sought to undertake a procurement exercise, in line with CPR 3.1.7 to appoint a software supplier to assist with the end-to-end automation of many council tax and business rate transactions via the council's website. The procurement of a new system will deliver:
 - increased customer access to council tax services,
 - improved customer satisfaction,
- The council currently bills circa 380,000 chargeable dwellings per year. There is a lot of activity relating to these bills during the year including changes in circumstances, payment arrangements, and applying various discounts and exemptions. This is undertaken by the Revenues Service and Contact Centre officers resulting in significant contact from customers (including landlords, agents, and other 3rd parties).
- The contact centre answers 100,000 calls and 44,000 emails relating to council tax per year. In addition, council tax staff manually process many '000s changes received via email, "self serve", face to face, letter etc.
- Customers currently face significant wait times (calls) and response times (emails) when contacting via the contact centre, due to demand outstripping capacity. In addition, opening times are restricted to traditional office hours, making it particularly difficult for those who work or have other daytime commitment, to get their queries sorted out.

- We currently provide some council tax services via self-serve already, most notably payment facilities, both via phone and web, and direct debit set-up. We also provide a portal for registered customers to receive their bills via email and to check their balances, but uptake is low in relation to the overall number of council tax payers. Other services, such as change of address, are available online, but do not automate directly into the Council's system.
- Council Tax automation will support the council's ambition to be an efficient, enterprising and healthy organisation by making better use of resources (people and money), and improving access to council tax services through modern, integrated self-service via the website. An increase in self-service will improve accessibility to council tax services by offering a 24/7 365 day channel. The project will improve the customer experience, encouraging customers to transact with us at times and in ways which are more convenient for them and more efficient and cost effective.
- Automation and self-serve are consistent with the council's wider digital transformation aspirations.

Recommendations

The Chief Officer Financial Services is recommended to approve the request :

- a) To undertake a procurement exercise, in line with CPR 3.1.7, to appoint a software supplier to support the delivery of the end to end automation of many council tax and business rates transactions via the council's website at an estimated project cost of £1.1m.
- b) To utilise the Crown Commercial Services (CCS) G-Cloud 12 framework : Software Supplier (Lot 2) to carry out the procurement exercise.
- c) For Revenues Service and IT Procurement officers to complete all the actions necessary to undertake the procurement and award the contract at the beginning of June 2022.

Why is the proposal being put forward?

- 1 As a result of automating a number of council tax processes, customers will be directed to self-service routes for most basic council tax and business rates transactions, rather than visit a hub, call, or email the contact centre, thus removing the need for as many customer service officers (CSOs) in the contact centre and processing staff in the back-office. Both areas had to make significant savings during recent financial years, but due to the pandemic the work needed to reduce demand did not take place, and so both areas are operating with staffing levels below what is needed to deliver an acceptable service level with the current level of demand.
- 2 Contact centre call queuing time is high, with a response time for emails below what the service response times would wish them to be. This generates a lot of double handling of contact as customers regularly call to chase emails. Back-office staff use a considerable amount of overtime to enable workloads to be managed as there are insufficient staff. By delivering the digital improvements, performance in both areas will be improved, It is anticipated that by transferring a significant portion of transactions on-line, this will also free up officer time in managing the more complex cases, thereby also enhancing the user experience for non-digital customers.

- 3 The public generally expects to be able to do most things online now, regardless of who is providing the service. Our customers are no different, and when we have automated other services, e.g. environment and highways services, we have seen uptake very naturally reach to 70-80%. This project will deliver against this customer expectation and will lead to increased customer satisfaction; much quicker response times: immediate in many cases; quicker processing, including billing, and therefore hopefully quicker payment.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 4 The proposal will improve the customer experience when accessing council tax and business rates services, improve response times by the council services when dealing with resident's communications and lead to quicker responses rates by services when dealing with these requests. The services will be able to focus on more complex cases and be able to bill quicker leading to improvements for collections of council tax and business rate .

What consultation and engagement has taken place?

- 5 Engagement has taken place with staff members in the Revenues Service, Contact Centre and IDS (Integrated Digital Services). The Chief Digital Information Officer has reviewed the procurement and has agreed that the project be submitted for approval for procurement using the CCS G-Cloud 12 framework.

What are the resource implications?

- 6 The anticipated development costs for the Council Tax Automation are estimated at £1.1m for the life span of 2022/23 to 2025/26. The funding for this project will be supported through the transformation capital programme, saving efficiencies through Revenues and Contact Centre Service and New Burdens Reserve.
- 7 The breakdown of automation project is as follows:-

	2022/23	2023/24	2024/25	2025/26	Total
	£000's	£000's	£000's	£000's	£000's
Development & Implementation Costs	50	0	0	0	50
Licence & Service Fees	296	196	196	196	884
Set Up & Management Costs	60	0	0	0	60
Project Costs	29	0	0	0	29
IDS & Technology Costs	22	84	0	0	106
Migration Costs	0	0	6	2	8
Total Costs	457	280	202	198	1,137
Transformation Capital Programme	(380)	(84)	0	0	(464)
Saving Efficiencies (Revenues & CCS)	(75)	(150)	(196)	(196)	(615)
New Burdens Reserve	(2)	(46)	(6)	(2)	(58)
Total Funding	(457)	(280)	(202)	(198)	(1,137)

- 8 On review of the project the potential risk of cost to the council is if there are insufficient funds from the new burdens reserve to offset the anticipated costs that is projected to be covered by this fund.

What are the legal implications?

- 9 Approval to carry out a procurement exercise at this value is a Key Decision and is open for call-in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
- 10 As the proposed estimated value is above the relevant threshold set out in the Public Contracts Regulations 2015 (Regulations), Procurement and Commercial Services team have reviewed the CCS G-Cloud 12 framework agreement and are satisfied that it has been procured in accordance with the Regulations and is both a legal and viable method to undertake a competitive procurement such as this.
- 11 In making their decision the Chief Officer Financial Services should be satisfied that the use of the CCS G-Cloud 12 framework agreement to select the provider will represent value for money

What are the key risks and how are they being managed?

12 The key risks are as follows:

- a) Automation will enable the workloads in both the Revenues and Contact Centre services to move towards more manageable levels. The risk of not automating will further impact on the wait times for residents to receive responses and call wait times. The current levels of demand will also continue to impact on the health and wellbeing of staff if there is no ability to manage the simpler transactions through automation.
- b) The automation project will support the ability to improve collections of council tax and business rates by reducing the response times in which in-year changes are made and billed, improve the time in which direct debits can be processed and set up thereby enabling residents not to fall behind with payments. A key risk is should the automation development not be undertaken there is a likelihood that collection rates could be impacted.
- c) To identify and reduce privacy risks a data protection information assessment is being undertake jointly by the Revenues Service and Information Governance as part of the procurement exercise to help the council comply with the requirements of data protection legislation and to identify and reduce privacy risk.

Does this proposal support the council's three Key Pillars?

- Inclusive Growth Health and Wellbeing Climate Emergency

- 13 The project supports the sustainable infrastructure aspect of the Council Best Council Plan by improving access to council tax services through modern, integrated self-service via the website.

Options, timescales and measuring success

What other options were considered?

- 14 The business case considered further automation via our current legacy system, automation and integration with a specialised portal system designed exclusively for end-to-end automation of council tax and business rates transactions and finally to do nothing.

How will success be measured?

15 There are a number of key performance indicators which measure the current levels of online take up of council tax and business rates transactions , however most of the requests require manual completion within the revenues and contact centre services to update residents records. The planned procurement will enable the on line requests by residents to be checked and verified via the automated services and if the checks /verifications are met will automatically update residents records to enable the request to be completed. This will primarily cover areas such as direct debit set up or change, change of address requests and single person discount applications. Daily reporting from the online service will monitor success of automation and provide feedback as to improvements which would increase automation. All of these measures will be used to track the success of the development and the impact of the changes that the development will deliver for residents and the support provided by the Revenues and Contact centre services.

What is the timetable for implementation?

16 The aim is to commence the procurement of the software supplier partner at the end of May/ early June 2022 with a view to awarding the contract by mid June with implementation commencing at the end of June 2022 until the end of October 2022.

Appendices

17 None

Background papers

18 None