

**Report To:** **STRATEGIC PLANNING AND CAPITAL MONITORING PANEL**

**Date:** 11 July 2016

**Reporting Officer:** Ilys Cookson - Assistant Executive Director Exchequer Services

**Subject:** **SMART TAMESIDE: DIGITAL BY DESIGN: HBEN & CTAX ON LINE INTEGRATED FORMS**

**Report Summary:** The Digital by Design (DbD) program aims to transform how the Council manages contact with the public through the better use of new technology and in so doing save time, money and improving levels of service.

As more and more people turn to digital channels to access services and information there is an opportunity for the Council to digitalise how it deals with customer requests and contacts across all its main channels with the intention of improving customer care and reducing costs.

Exchequer Services delivers its service to all residents and business rates payers in the Borough, many of whom want to transact their business with us by electronic means.

A number of on-line forms are available on the Council's website however these forms do not integrate with the back-office system and so the data has to be keyed into systems which is resource intensive and increases cost.

At present only 2 forms (Housing Benefit and Council Tax Support application form and change of circumstances form) are available for completion on-line and which also integrate direct into the back-office system.

This report details the costs and benefits for a wider range of intuitive forms to be available on-line and which all integrate into the back office function. Any changes required to the Council's web-site will be fully compatible with the Digital By Design programme currently being implemented by IT.

**Recommendations:** That Strategic Capital Panel Members review the contents of the report and recommend to Cabinet that :  
Approval is given for an allocation of £90k from the Capital budget to purchase the intuitive on-line and integrated forms for a range of Exchequer Services on an invest to save basis.

**Links to Community Strategy:** The purchase and implementation of the on-line forms will enable the Council to transact better with its residents and business rates payers by way of easier access and reduced overall costs of service provision.

**Policy Implications:** This report supports the Council policy in providing the statutory duties in the collection of monies for a range of services it provides and primarily Adults Social Care and Council Tax, and the payment of benefits to those eligible to receive it.

**Financial Implications:**  
**(Authorised by the Section  
151 Officer)**

If the system upgrade was to be implemented recovery of the capital outlay and ongoing annual support costs are likely to be realised over the longer term as a result of staff efficiencies and reductions in scanning, indexing and reduced licence expenditure. Easier access for customers in order to set up arrangements, for example, in relation to overpaid housing benefit and auto arrangements to pay council tax and business rates are also likely to improve cash flow into the authority. Improved access for customers is likely to result in an earlier awareness of changes in circumstances. This should minimise overpayments and the requirement for future amendments to accounts, which can prove labour intensive and have financial implications.

**Legal Implications:**  
**(Authorised by the Borough  
Solicitor)**

The Council needs to find the most efficient and effective way to deliver services. Cutting resources to achieve efficiency can only go so far thereafter it is necessary to change the operating model to achieve further reductions. This proposal sets out how an investment will enable the service to become digitalised to remove significant double handling by cutting out the need for manual input. It will be necessary to have the support and input of IT services to deliver this change.

**Governance Arrangements:**

All procurement activities undertaken as a result of this report will be done in accordance with the Council's financial standing orders in line with public procurement regulations.

**Risk Management:**

Set out in the report - see section 8

**Background Papers:**

The background papers can be obtained from the author of the report, by



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## 1. INTRODUCTION

- 1.1. The DbD program aims to transform how the council manages contact with the public through the better use of new technology and in so doing save time, money and improving levels of service.
- 1.2. As more and more people turn to digital channels to access services and information there is an opportunity for the council to modernise how it deals with customer requests and contacts across all its main channels.
- 1.3. On the 14 March 2016, the Strategic Planning and Capital Monitoring Panel approved £141,565 of funding for the DbD programme to deliver a package of improvements to reduce customer contact with the Council and improve residents and businesses on-line experience when dealing with the Council. This package included:
  - A new content management system for a new look website
  - Webchat software to reduce calls to the telephone call centre
  - In cab technology to support improved household waste collection service
  - Upgrade to the Contact Centre software to support online and social media calls
  - Capita Connect portal to provide residents with a secure & personalised access to online Council services.
  - A subset of Capita Revs and Bens eForms
- 1.4. By implementing an improved digital offer we can make the Internet the channel of choice for an increasing large majority of residents. Increasingly the new Contact Centre will deal with all telephone, social and other electronic media including webchat coming into the Council, freeing up the back office to focus on delivering services.
- 1.5. The website is being improved and is being focused on the top 100 transactions and also provide users a more personalized experience. The site is being specifically designed with mobile devices in mind and a complimentary series of Apps for iOS and Android devices will be developed.
- 1.6. Specific projects are being undertaken with services that generate high call volumes to reduce and in some cases remove telephone demand altogether including Refuse and Exchequer Services.
- 1.7. In doing all this the on-demand face-to-face customer service channel will be closed, moving instead to an appointment based service for the small number of highly complex cases that still require 1-2-1 face-to-face attention.
- 1.8. Exchequer Services customers regularly engage with the service via the existing on-line forms which are available in the Councils web-site, however many query why they have to complete several forms to obtain the service they want. For example a customer wanting to inform the Council about their change of address, request to pay by direct debit and request a single person discount requires completion of 3 separate forms, none of which integrate into the back office system which is Capita Advantage and previously known as Academy. Staff then have to manually enter the information on the forms into the system.
- 1.9 Features of on-line integrated forms includes:
  - ✓ Intuitive completion ie only provides the text boxes necessary for a particular enquiry
  - ✓ Date fields, drop down lists
  - ✓ Guidance messages ie you must complete this box before completing rest of section
  - ✓ Check back for mistakes and omissions
  - ✓ Can be saved part way through completion

Features of back office on-line and integrated forms:

- ✓ User management
- ✓ Audit trail
- ✓ Workflow management
- ✓ CRM integration
- ✓ Document system integration either PDF or Tiff image.
- ✓ Auto notifications to customers email ie to confirm receipt or next steps etc.

## 2. CURRENT POSITION

2.1 In addition to on-line integrated forms currently available to customers as detailed in point 2.3 above, members of the public can also view their council tax, benefits and business rates account on line if they wish, subject to the relevant security checks being set up. This is very similar to on-line banking however take up has been very low despite numerous campaigns to promote this. Anecdotal evidence suggests that the actual setting up of the access for the customer is a barrier particularly if a customer wants to perform a simple transaction such as notifying the Council of a change of address. A limited number of on-line forms are available within the self-service module however these have not been fully utilised by customers.

2.2 The profile of existing on-line forms which integrate into Capita is as follows:

**Table 1 Current on-line and integrated forms**

Service	Form type	On-line	Integration	Access
Housing Benefit/Council Tax Support	Application form	Yes	Yes	Via website
Housing Benefit/Council Tax Support	Change of circumstances	Yes	Yes	Via website

The profile of existing on line forms which do not integrate into the host system and therefore the data has to be typed into the system is as follows:

**Table 2 Current on-line forms**

Service	Form type	On-line	Integration	Access
Council Tax	Single Person Discount application	Yes	No	Via website
Council Tax	Direct Debit set up	Yes	No	Via website
Council Tax	Exemptions application	Yes	No	Via website

2.3 To meet the necessary efficiencies required and to provide customers with more responsive ways of communicating with Exchequer Services the following forms are also required in addition to the already available on line and integrated Housing Benefit/Council Tax Support application forms.

**Table 3 Required intuitive on-line and integrated forms**

Service	Form type	On-line	Integration	Access
Housing Benefit / Council Tax Support	Discretionary Housing Payment application	Yes	Yes	Via website
	Direct payment to Landlord	Yes	Yes	Website
	Income and expenditure	Yes	Yes	Website

	and arrangement to pay Housing Benefit overpayments			
<b>Council Tax</b>	Change of address	Yes	Yes	Website
	Change of name	Yes	Yes	Website
	Direct Debit set up	Yes	Yes	Website
	Discounts and Exemptions application	Yes	Yes	Website
	Single Person Discount application	Yes	Yes	Website
	Auto arrangement to pay	Yes	Yes	Website
<b>Business Rates</b>	Change of address	Yes	Yes	Website
	Change in circumstances ie name, contact details, company status	Yes	Yes	Website
	Relief application	Yes	Yes	Website
	Auto arrangement to pay	Yes	Yes	Website

### 3. OPTIONS CONSIDERED

- 3.1 Given the above background and the drive to continue to seek savings from providing the most efficient and effective services possible while maximising income into the Council, the service has researched current options available. One option could be to continue to offer the service as now however this is resource intensive as the process relies heavily on having sufficient staff to input data manually for almost all communications with the service.
- 3.2 Three providers of on line forms were requested to provide a demonstration based on their existing knowledge of revenues and benefits systems and the fact that they had local authority customers using their on line forms.
- 3.3 Discussion with other local authorities using each product has also taken place. A significant barrier to providers of on-line and integrated forms is the cost and efficiency of the connectivity into the host system, unless the host system provider also provides a suite of on-line integrated forms. Exchequer currently use the Capita system.
- 3.4 Issues become apparent in the efficiency of the connection between the on-line form and the back office system wherever the on-line form is provided by a third party, for example whenever there is either a legislative change, annual updates or changes to DWP benefit rates for example or system upgrades or releases. However, the development of these services into an external providers forms would be the responsibility of the 3<sup>rd</sup> Party supply, including the ongoing support of these so that the two systems continue to integrate as expected.
- 3.5 Estimated costs of licences for the intuitive, on-line and integrated forms using a third party supplier have been quoted as being £222,750 with an annual support and maintenance charge of £44,550. This does not include any additional costs that the third party supplier may require for annual support and maintenance.
- 3.6 It is clear from the demonstrations and from discussion with local authorities using the solutions that only Capita's Advantage product successfully integrates seamlessly into the host system and can accommodate legislative changes and other annual changes without additional costs or additional work for both IT Services and Exchequer Services.

## 5. PROCUREMENT METHOD

- 5.1 The procurement of the intuitive, on-line and integrated forms will be done in accordance with the Council's financial standing orders in line with public procurement regulations. A costs appraisal and market testing has already been conducted which will be detailed in a waiver report as appropriate.

## 6. FINANCIAL CONSIDERATIONS

- 6.1 Timings have been undertaken with just three high volume Council Tax forms to provide indicative costings with regard to the current process of receiving paper documents, scanning into the system, data entry onto the persons account and subsequent assessment.

**Table 4. Estimated costs of processing 3 Council Tax forms**

Service	Form type	Average time in minutes per transaction	Average £ cost per transaction	Annual volume 15/16	Estimated overall costs £
Council Tax	Change of address	16	3.70	23,821	88,137
Council Tax	Direct debit input	5	3.70	1,705	6,309
Council Tax	Reliefs and exemptions	7	1.29	3,307	5,357
<b>Total</b>					<b>99,803</b>

- 6.2 In addition to the above some savings are expected from not receiving as many paper documents which require scanning and indexing. In the last year Exchequer has received 229,944 paper documents which have cost approximately £20,000. Support Clerks at Grade B currently carry out this function in addition to Apprentices which are employed within the service.
- 6.3 Indicative costs from Capita to implement and integrate the suite of forms detailed in **Table 3** at point 3.3 is an estimated £80k with an annual support and maintenance charge of £20K. The annual support and maintenance charges include system upgrades and any legislative change as both of these will impact on any automated form. Legislative changes occur throughout the year and in particular at year start when rates of benefit, or multipliers for business rates and the council tax rate is set for example. An additional £10K is requested to cover any additional costs that may be identified during implementation and to cover costs for Exchequer and It staff to undertake implementation tasks.

## 7. AFFORDABILITY/FINANCIAL IMPACT

- 7.1 Based on the information provided, the revenue costs in respect the implementation of the on-line and integrated forms are affordable within existing budget. However this should be considered as an invest to save model as savings will be made from resources.
- 7.2 Annual support and maintenance costs should be met from existing budget in Year 2 funded from resource savings, reduced scanning and indexing costs and savings from Team Netsol as a result of reduced licence fees for the HB/CTS application form and change of circumstances form.

<b>COST / SAVINGS £</b>	<b>YEAR ONE</b>	<b>YEAR TWO</b>	<b>YEAR THREE</b>	<b>YEAR FOUR</b>	<b>YEAR FIVE</b>
Implementation of forms	90				
Annual support and maintenance plus rpi*	20	20.5	21	21.5	22
Annual support and maintenance HB/CTS application and change of circumstance forms plus rpi*	9	9.2	9.4	9.6	9.8
Reduced costs of transfer of HB/CTS application Team Netsol	(18)				
Reduced resources	Nil	(50)	(100)	(125)	(125)
<b>TOTAL</b>	101	(20.3)	(69.6)	(93.9)	(93.2)

\* Assumes 2.4%

## **8 RISK MANAGEMENT**

- 8.1 There is a risks that the forms do not fully integrate with the host system however evidence from other local authorities suggests that full integration is apparent.
- 8.2 If Universal Credit increases in terms of roll out then there is an argument that the automation for the Housing Benefit form would not be required. Housing Benefit for pensioners is to continue to be administered by local authorities and Council Tax Support will also continue to be administered by local authorities. The current benefit application form captures information for both Housing Benefits and Council Tax Support would still be required.
- 8.3 The resource savings may not materialise. There is evidence to support that there are significant savings from staff not having to key in data and to scan and index paper copies of forms received.

## **9 RECOMMENDATION**

- 9.1 The recommendation is as set out at the front of this report.