DIGITAL DELIVERY OF SERVICES

Submitted by: Head of Communications

Portfolio: Finance, IT and Customer

Ward(s) affected: All

Purpose of the Report

To outline proposals for enhancing the way the Council provides digital services to customers through the introduction and wider development of a customer portal for key services.

Recommendations

  a) **That Cabinet supports in principle proposals to introduce a customer portal to further develop the way residents can access council services.**
  b) **That Cabinet authorises officers to prepare a business case for the introduction of a customer portal including an assessment of the options available and identifying a preferred set of proposals to be reported back to Cabinet.**
  c) **That Cabinet endorses the Digital Strategy for the Council which is attached to this report as an appendix.**

Reasons

Digital technologies have the potential to improve the way the majority of council customers interact with local authority services while at the same time generating significant efficiency savings.

---

1.   **Background**

  1.1   Research from the Society of Information Technology Management (Socitm) suggests a face-to-face interaction with a customer can cost a council £10.53 and a basic phone query can cost £3. The organisation – which carries out a national analysis of public sector websites each year to provide benchmarking information and best practice – suggests an online transaction can cost a council just eight pence.

  1.2   The Government Digital Service is part of the Cabinet Office and its job is to champion the digital transformation of government. It estimates savings of between £1.7 and £1.8 billion each year can be achieved by moving services from offline, face-to-face and telephone and on to digital channels.

  1.3   A key part of this saving is attributed to the provision of transactional services such as online payments, service requests, self-serve opportunities such as customers changing their personal details such as an address.

  1.4   Significant numbers of councils enable this sort of interaction through the provision of a customer portal. This is effectively an online "front door" which enables customers to carry out a variety of end-to-end transactions which means they do not have to ring the Council or make a personal visit.

1.5   This customer service ethos is one which is common in all walks of life for our residents such as personal banking, management of their utilities, shopping etc.

1.6   Information has been received from a number of councils - Hammersmith and Fulham, Aylesbury Vale, Harrow and Wirral - on what savings and efficiencies they have achieved in recent years through the use of a customer portal and the implementation journeys that they went on.

1.7   These, and numerous other examples, are available for this council to tap into via the Local Government Association to illustrate how digital technologies, and specifically a digital customer portal, can help councils to save money while at the same time improving customer service for those who want to access their local council services digitally at a time and location which suits them.

1.8   In the Council's budget for 2016-17, a direct link was made for the first time between modernising the way we do business and the potential to achieve savings.

1.9   Members may recall that one of the savings' lines in the current budget is £100,000 in Revenues and Benefits staff. This involved some flexible early retirements and non-replacement of staff and was made possible by embracing technology.

1.10   The service introduced Citizen Access – which allows residents to manage elements of their own Council Tax accounts without having to telephone the Council or visit a customer service centre. A Landlords' Portal was also introduced which enables local landlords to access key information about tenants for themselves.

1.11   Both of these services have meant a reduction in calls and visits to the Revenues and Benefits team which resulted in cashable efficiencies on staffing.

1.12   The Council's Medium Term Financial Strategy (MTFS) clearly illustrates how pressure on resources will continue for the foreseeable future. A greater focus on providing services to those who want to access them digitally can make a significant contribution to helping tackle those MTFS pressures.

2.   **Issues**

2.1   Staff
       (a) The introduction of a customer portal is a significant piece of work in terms of the staff resources required for research, development and introduction. This would require input from a variety of teams including ICT, Communications and Customer Services. Executive Management Team has approved the introduction of a Digital Delivery Board of officers at the Council to champion the focus on digital service delivery across the whole organisation. It is suggested that this group be responsible for bringing forward the report to Cabinet outlined in the recommendations.

       (b) The expertise is undoubtedly present among our very capable in-house teams to develop a portal project. An example of the skills is the Council's new website which was developed, built, launched and embedded using no external support.

       (c) However, teams who would play a vital part in the portal project –ICT, Customer Services and Communications - already have significant workloads and for that reason it is suggested the Council follows the same route as the

majority of other local authorities and use external resourcing and expertise to bring any scheme to fruition.

2.2 Finance

(a) Officers have already undertaken some desktop research in relation to the various market leading models which are available for customer portals. They range in size, complexity and capability and the financial outlay reflects this. Further analysis will take place as part of the development of a business case which will be brought back to Cabinet.

(b) Your officers are aware that significant sums have been spent by other local authorities on this type of project. However, it is felt that if the Council ensures the correct basket of services are available in the Newcastle-under-Lyme portal then the age profile of the workforce would make the scale of potential savings for this "invest to save" proposal a viable way forward.

(c) The Council's Medium Term Financial Strategy indicates that the budget "gap" for 2017/18 is currently £2.731m. In addition, current known gaps in the MTFS stand at £1.224m (2018/19); £1.353m (2019/20); £384,000 (2020/21) and £274,000 (2021/22). These are significant financial pressures and the Council will obviously face some difficult decisions as it moves forward and produces the balanced budgets required by law. Transforming services using digital means could be one way of making huge contributions to these financial challenges.

(d) The Council has made a successful bid to the Local Government Association's (LGA) Digital Experts Programme. This bid outlined how the Council would like to enhance the digital services it provides to residents and also develop the capabilities of local residents to embrace technology so they can take full advantage of this changing customer service relationship. That bid has resulted in a grant of £6,000 to the Council to support its work in developing this very important issue.

2.3 Customers

(a) The most up-to-date information produced by Ofcom in 2015 showed that 93 per cent of adults personally owned or used a mobile phone in the UK; 66 per cent of adults have a smartphone; the Office for National Statistics revealed that on average, nine out of every 10 adults in the UK uses the internet each month.

(b) The Council launched a new website in September 2015 which introduced a "three clicks and done" navigation ethos and also focused on making the largest council services easier to interact with and secure information from. This has resulted in the number of unique users each month more than doubling and around 40,000 unique users currently use the Council's website.

(c) Hundreds of residents have signed up to receive data from the Council using the MyStaffs App.

(d) Significant numbers of residents now use the Citizen Access account to manage their own Council Tax accounts with the Borough Council.

(e) Around 17,000 people interact with the Council using social media.

2.4 Channel shift

(a) Although the website is the single biggest point of contact for residents with the

Council, significant volumes of customer contact is also still made through the corporate call centre and the Revenues and Benefits call centre as well as the customer service centres at the Guildhall, Kidsgrove and Madeley.

(b) If a customer portal is to deliver the huge benefits that similar initiatives have delivered at other local authorities then it is vital that the Council adopts a range of principles which are outlined in a Digital Strategy which is attached at Appendix One. This has been produced to guide the digital agenda internally at the Council.

(c) The Municipal Journal recently reported that only 36 per cent of public sector organisations have a Digital Strategy in place and that many organisations are simply "tinkering around the edges" of their business model. The strategy attached as an appendix to this report clearly sets out the principles which this council needs to embrace if we are to improve customers services through digital delivery while at the same time delivering efficiency savings which are required to meet the financial pressures outlined in 2.2 (c).

3.   Proposals

3.1   The introduction of a customer portal for a basket of self-serve council services would be a major step forward in the digital delivery of services for residents in Newcastle-under-Lyme.

3.2   At this stage Cabinet is being asked to accept this as a principle for the way forward and the Digital Delivery Board should now press ahead with developing this proposal further, examining options and models, developing costs, evaluating the potential for efficiency savings.

4.   Reason for preferred solution

4.1   As indicated in 1.6 to 1.8 above, there is lots of evidence from across the local government sector to indicate the scale of savings and efficiencies which can be achieved through a pro-active approach to digital service delivery.

4.2   Financial reasons on their own suggest that this is undoubtedly a road which the Council should be seeking to develop and enhance further.

4.3   However, it should also be recognised that accessing services digitally is common place for the vast majority of the population because of the widespread availability of the technology required by customers – smart phones; tablets; laptops and PCs.

4.4   And while the Council acknowledges that for the majority of residents, this will be their preferred method of doing business with the authority, there will still be a number of residents who will not be able to fully embrace or access digital customer service for a wide variety of reasons.

4.5   Part of the work which the Digital Delivery Board should be asked to consider is how our council rises to this challenge to ensure as many people as possible can take advantage of the benefits that digital service provision brings and those who are unable to – for whatever reason – do not find themselves excluded from service provision.

5.   Legal and Statutory Implications

5.1   The Council will need to be mindful of the Disability Discrimination Act with regards to the provision of a customer portal and ensure accessibility meets all current standards and expectations.

6.   Equality Impact Assessment

6.1   There are four main kinds of challenge that people face to going online:-

- Access - the ability to actually go online and connect to the internet.
- Skills - to be able to use the internet.
- Motivation - knowing the reasons why using the internet is a good thing.
- Trust - a fear of crime, or not knowing where to start to go online.

6.2   One of actions which the Digital Delivery Board should include in its work programme is consideration as to how a network of "Digital Volunteers" can be put in place to support the development of the relevant digital skills across our communities. This has been done successfully elsewhere in the country and the LGA's Digital Experts Programme referred to earlier in this report can put the Council in touch with authorities who have already had success in this area.

6.3   Other equality issues which the Council needs to be mindful of are:-

(a) Connectivity - and access to the internet. People need the right infrastructure but that is only the start.

(b) Accessibility - services should be designed to meet all users' needs, including those dependent on assistive technology to access digital services. Accessibility is a barrier for many people, but digital inclusion is broader.

7.   Financial and Resource Implications

7.1   Paragraph 2.2 of this report outlines the main finance and resource implications.

7.2   External support will be required for the implementation of a customer portal and should be viewed as an "invest to save" project. Part of the business case that will be developed by the Digital Delivery Board will demonstrate how some investment up front can deliver significant financial savings within a short period of time.

8.   Major Risks

8.1   The following risks to consider are:-
- Public resistance to change in access methods -Public used to telephone and face-to face as main channels and don't trust that online requests will be dealt with
- Failure to achieve the channel shift percentages required to allow the savings to be realised.
- Skills and capacity to enable the required business change
- A lack of Services corporate engagement
- Failure to close down other channels

9.   Key decision information

9.1   The report raises issues affecting more than two wards so this is a key decision and has been included on the Forward Plan.

10.   Earlier Cabinet/Committee Resolutions

10.1   None

11.   List of Appendices

11.1   Appendix one – Digital Strategy 2016

12.   Background Papers

12.1   None.