

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
CABINET

Date 19 July 2017

REPORT TITLE: Customer Portal for Accessing Council Services

Submitted by: Head of Communications

Portfolio: Finance, IT and Customer

Ward(s) affected: All

Purpose of the Report

To seek Cabinet approval for the procurement and introduction of an online customer portal for Newcastle under Lyme Borough Council according to the proposals outlined in the report.

Recommendations

- a) That Cabinet notes the issues outlined in the business case which is attached as an Appendix to this report.
- b) That Cabinet authorises officers to undertake a procurement process for a customer portal for accessing council services.
- c) That Cabinet delegates authority to award a contract to the Executive Director (Resources and Support Services) in consultation with the Portfolio Holder for Finance, IT and Customer, following the completion of the procurement process.

Reasons

Digital technologies have the potential to improve the way the majority of council customers interact with local authority services whilst at the same time generating significant efficiency savings. A customer portal will help the Council make progress with both of these considerations.

1. Background

- 1.1. At its meeting in January 2017, Cabinet considered a report on the Digital Delivery of Services. Members resolved:
 - a) That proposals to introduce a customer portal to further develop the way that residents can access council services be supported in principle.
 - b) That officers be authorised 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 the Digital Strategy for the Council be endorsed.
- 1.2. 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.

- 1.3. The development of self-serve options - which can be completed by customers using a digital channel which suits them at a time and location of their choosing – will enhance their customer experience with the Council.

2. **Issues**

- 2.1. Since the Cabinet decision in January, the Council's Digital Delivery Board has carried out a number of pieces of work to move this initiative forward.
- 2.2. They include:
 - a) Organising a Digital Showcase Day which involved inviting to the Civic Offices five leading companies which provide customer portals. They were asked to give a presentation on the functionality of current systems and to outline the benefits to the Council of their proposals.
 - b) Discussions with other councils and also the Staffordshire Connects Partnership on the potential for joint procurement and future joint working arrangements.
 - c) Liaison with a number of other councils from around the country over their experiences of introducing customer portals, lessons learned, issues and options.
 - d) Attending discussions overseen by the Staffordshire Connects Partnership on customer portals.
- 2.3. Officers believe that the business case which is attached to this report as an appendix outlines the benefits for the procurement of a customer portal. It is therefore recommended that this becomes the adopted position of the Council and officers be authorised to take part in a procurement process for a customer portal for accessing council services.

3. **Proposal**

- 3.1. The introduction of a customer portal and self-service tools for a basket of council services would be a major step forward in the digital delivery of services for residents in Newcastle-under-Lyme.
- 3.2. Following all of the work which has been done by the Digital Delivery Board, officers believe that the best way forward at this stage is a joint procurement with public sector partners.
- 3.3. Discussions with other local authorities in the surrounding area made it clear that a number were on a shared path as a result of wrestling with the dual issues of enhancing or maintaining customer service standards while coping with the need for efficiency savings. During these discussions the possibility of a joint procurement was formed.
- 3.4. Lichfield District Council and Tamworth Borough Council – supported by Staffordshire County Council and the Staffordshire Connects Partnership – are leading on this procurement which has been carried out through an established framework agreement called the Braintree Framework - part of the Essex Procurement Hub.
- 3.5. The Essex Procurement Hub was set up in 2006 after a review of procurement across a number of Essex authorities. The role of the Hub is to provide strategic and operational procurement support, advice and guidance that adds demonstrable value to the procurement process.
- 3.6. The Hub lets and manages a number of National Framework Agreements that are accessible to any public authority in the United Kingdom. The underlying ethos of the Hub is co-operation and collaboration.

- 3.7. At this stage the partnership landscape also involves Stoke-on-Trent City Council and South Staffordshire District Council.
- 3.8. Officers from the Borough Council have been involved in the procurement process and worked alongside the other councils in preparing all of the documents issued to potential providers. They have also been fully involved in the evaluation process.
- 3.9. Cabinet should note that whilst the Borough Council is playing an active role in the customer portal procurement and partners welcome and support our involvement, we are not the lead procurement organisation and at this stage are not legally obliged to any course of action.
- 3.10. Having said that, all of the work carried out so far indicates this is the best option available for the Borough Council and will yield the customer service and efficiency benefits we require in a timescale which substantially meets our needs.
- 3.11. The timescale being worked to is:
 - a) 26 May – procurement begins using Braintree Framework.
 - b) 18 June – deadline for submissions of proposals.
 - c) 21 June – evaluation and shortlisting.
 - d) 26 and 27 June – interviews of shortlisted organisations with demonstrations and reference site visits/webex.
 - e) 11 July – Lichfield/Tamworth decision to award contract.
 - f) 11-25 July – European Union standstill period.
 - g) 19 July – NULBC Cabinet decision on customer portal and business case.
 - h) 25 July – supplier mobilisation at Lichfield/Tamworth.
 - i) 16 October – garden waste part of their system handed over for user testing.
 - j) 1 December – garden waste booking and payments go live.
 - k) Spring/summer 2018 – NULBC introduces customer portal.

4. **Reasons for Preferred Solution**

- 4.1. Using an established framework ensures a guaranteed level of service provision as providers have to fulfil a variety of criteria to qualify for inclusion. Research has shown that all providers on the framework to be used can meet the Council's requirements.
- 4.2. There are significant benefits from working alongside partners and they include:
 - Shared procurement expertise.
 - Shared procurement resources – this is a very time-consuming and rigorous process.
 - Shared workload in review and assessment procedures.
 - Potential for reductions in costs as a result of several councils signing up.
 - Potential for shared future development processes because of a common system.
 - Partnership working fits alongside the Council's strategic co-operative aims.

The largest partner involved in the shared procurement process, Staffordshire County Council, are providing advice and expertise as well as resourcing for the procurement process.

- 4.3. Part of the specification documentation asks potential providers for details on the savings which could be expected if several partners join in with the initial procurement by Lichfield and Tamworth.
- 4.4. Working with a range of local public sector partners using the same customer portal could open up the opportunity for shared working and development as the project progresses. This could have a major positive effect as it may avoid development duplication; enable different

authorities to develop different portal strands which can then possibly be shared; allow councils to jointly develop which will improve the pace of implementation.

- 4.5. As mentioned earlier in this report, this is the preferred procurement route for all of the reasons identified above. However, it is not the Council's procurement process and at this stage there are no legal obligations on us. Officers will continue to work closely with partners to move this process forward but it must be stressed that other options will be available to the Council if it chooses to pursue them, such as a separate partnership arrangement using another framework or even an individual procurement if that secures us best value while at the same time meeting our customer portal requirements.

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.
- 5.2. The Council will also need to be mindful of the forthcoming General Data Protection Regulations with regards to the completion of privacy impact assessment, data processing statement and consent to process customer data for a specific, limited purpose.

6. Equality Impact Assessment

- 6.1. At its meeting in January, Cabinet considered a number of equality impact assessments and these are replicated below to ensure they continue to form a key part of decision making as the pace of implementation picks up.
- 6.2. 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.
- 6.3. As the earlier report indicated, one of the 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 Local Government Association's (LGA) Digital Experts Programme could be used as a frame of reference for our own work in this area. Contacts have already been made with the LGA on this matter.
- 6.4. 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 1.2 of this report outlines the main financial benefits of introducing a customer portal.

- 7.2. The business case attached to this report as an appendix outlines the key elements of the rationale behind why the introduction of a customer portal for the Borough Council is a prudent use of resources which could yield significant financial efficiencies while at the same time improving the customer journey for significant numbers of people.
- 7.3. It is anticipated that savings will be made on staffing costs similar to those already seen in Revenues and Benefits where technology has enabled some flexible retirements as well as the non-replacement of some vacant posts.
- 7.4. It is also anticipated that an effective customer portal solution could have the potential to replace several of the Council's existing case management systems which would save up to £38,000 a year.
- 7.5. The initial investment of procuring the customer portal is estimated to be in the region of £80k. This can be financed from the balance that is left in the Revenue Investment Fund (RIF). As part of the budget setting process for 2017/18 full Council agreed to cease making contributions into the fund. However, a balance still exists from previous contributions made and the non-utilisation of funds for previously agreed initiatives. The investment in a customer portal meets the criteria that was originally set for the use of the RIF. This initial investment will be recovered very quickly from the savings that have been identified above.
- 7.6. A savings target of £100k from digital delivery initiatives was included in the current year's budget. This is at present on target to be achieved predominantly from the move away from accepting cash payments at the Council's Customer Service Centres together with further savings in Revenue and Benefits following the introduction of the Citizens Access and Landlords Portal.

8. **Major Risks**

- 8.1. 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 savings to be realised.
 - Skills and capacity to enable the required business process re-engineering (BPR) changes to take place to support the portal.
 - A lack of engagement from key council services to an online focus.
 - Failure to close down other channels to maximise efficiency savings.

9. **Key Decision Information**

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

10. **Earlier Cabinet/Committee Resolutions**

- 10.1. January 2017 Cabinet report.

11. **List of Appendices**

- 11.1. Appendix one – Business Case for a Customer Portal at the Borough Council

Appendix 1. Business case for a customer portal at Newcastle-under-Lyme Borough Council

Introduction

At Cabinet on 18 January 2017, it was agreed:

- That Cabinet supports in principle proposals to introduce a customer portal to further develop the way residents can access council services.
- 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.
- That Cabinet endorses the Digital Strategy for the Council which is attached to this report as an appendix.

Background

A customer portal is a single sign-on online self-service portal which will help the Council unlock the savings associated with channel shift whilst at the same time improving the service to our customers.

The portal will provide a common interface through which authenticated customers can access personalised services and information (integrating with any number of back-office systems) and a platform to create a seamless online experience.

A customer portal does not replace a council's website, it works seamlessly with it. The website provides the static content, directing customers to the online portal when customers want to transact with the Council.

Customers will be encouraged to manage their own accounts and interactions with the Council and to update records, make payments, report issues. Portals are designed so that customers can easily access services whilst staying online.

Savings

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.

The table below illustrates the average monthly volumes of customers who use the three main communication channels with customers at the Council and clearly illustrates that we have to move away from face-to-face and phone contacts where possible and enable as many customers as we can to “self-serve” with improved functionality and service availability online.

Channel	Average monthly volume (Jan-Dec 2016)
Website	34,537
Face-to-face (Guildhall, Kidsgrove, Madeley)	4,466
Contact centres – corporate + Revenues and Benefits	17,824

However, the Council reiterates that every effort will be made to ensure customers who need to access services either face-to-face or over the telephone will still be able to do so.

One of the key areas which the Council can look at if a customer portal is introduced is the impact this will have on legacy software. At present it is anticipated that an effective customer portal solution could have the potential to replace several case management systems currently used at the Council including:

- The CRM system – currently circa £25,000 per year.
- The benefits e-claim form – currently circa £12,000 per year.
- The Customer Complaints Management software – currently circa £1,000 per year.

The customer portal system may also be flexible enough to ultimately allow other platforms to be phased out. Whilst the replacement of the above systems with a portal will not be immediate, it is anticipated this would happen within a 24-month period.

Integration

From around 2000, all local authorities had to produce an annual statement that set out how they would implement electronic government - known simply as the IEG statement.

Government funding was awarded to support developments outlined in these annual submissions which were made to the Office of the Deputy Prime Minister.

During this era it was common for a service to be classified as “digital” if a simple form was presented on a council website. Almost universally, these forms did nothing more than e-mail the entered content to the back-office – where it was then manually re-keyed into a supporting system.

Unfortunately, this method of delivery is still commonly used at Newcastle-under-Lyme Borough Council.

Only three of the Council’s existing e-forms actually transfers the information sent in by the customer directly to back-office systems where it can ultimately be used. Everything else is still re-keyed from an e-mail.

This process involves considerable staff resources, adds time to the processing of requests for customers and is clearly an unsustainable method of working for a modern organisation.

In order for any new customer portal to be efficient and effective, the forms presented must transfer their data directly to the back-office systems where it can then be used cleanly, autonomously and without manual interventions.

There are several key service areas where efficiencies could be realised through this integration process and they are:-

- Waste management
- Revenues and benefits.
- Environmental services.
- Planning.
- Human Resources.
- Leisure services.

Our Workforce

Where the self-serve processes outlined above remove the need for re-keying or manual interventions, the Council will consider a number of factors such as redeployment of staff, consideration of flexible early retirements, and the non-filling of vacant posts to ensure quality services continue in corporate priority areas as well as the ongoing need for financial savings to help meet efficiencies outlined in the Medium Term Financial Strategy.

Postage

The Council currently spends approximately £97,000 per annum on postage costs.

A customer portal which included “self-serve” options for some of the Council’s “volume” services – such as planning, recycling and waste, revenues and benefits – would obviously lead to a reduction in postal costs.

Every 10 per cent reduction the Council makes would result in £9,700 being removed from the postal bill.

Non-cashable savings

In addition to the potential for achieving the “cashable” savings identified above, the Council could also make “non-cashable” efficiencies such as:-

- Maintaining a single customer record across all back office systems.
- Produce efficiencies by preventing data duplication in service silos.
- Save staff time by reducing unnecessary contacts.

Customer Experience

The Council is looking to implement a new digital customer service platform with a favoured option involving the introduction of a “My Account” which aims to help services become more accessible in a self-serving and transparent way.

With a My Account – with user characteristics similar to online banking or Amazon - customers would be able to answer their own queries, view documents and check status updates from their mobile, tablet or PC at a time and a place which fits with their time-pressured lives.

The platform will aim to provide customers and businesses with a single login to multiple services allowing them to view documents and statements online, drill down to payments, liabilities, charges, instalment plans and other transactional information, exactly the type of transactions that the contact centre has to deal with in huge volumes.

The platform will be used to deliver a suite of online services to residents, landlords and businesses.

Our aim is to ensure customers can log in to view their interactions with the Council, for example, Council Tax information, benefit claims, business rates, benefit notification letters and landlord schedules, recycling and waste services, licence applications, electoral registration, parking fines and issues etc.

Once a customer is signed into the portal they should receive a better online experience. We are aiming to ensure forms automatically pre-populate fields from information drawn from a customer’s profile and customers can access their account 24/7 including seeking information about their accounts and reports which equates to a significant volume in customer demand.

Our goal will be to provide functionality which would allow customers to:

- a) Utilise and complete interactive online e-forms which are intelligent enough to personalise the navigation, assisting people through relevant questions based on what they say.
- b) Integrate in a seamless way e.g. taking payments via the Council’s payments portal and interaction with maps.
- c) Provide feedback and comments on services and functionality using a ratings’ system.
- d) Provide a single place to transact with the Council 24/7. This allows councils to validate customers and provide them with access to their account information.

The Process

The Council has already taken a number of steps on its digital journey.

During 2016/17, savings totalling £100,000 were generated following the introduction of Citizen Access and a Landlords' Portal in Revenues and Benefits.

This reduced customer contacts and enabled the Council to make staffing efficiencies which generated the savings outlined above.

In September 2015 a new website was launched and this has doubled the number of monthly unique users interacting with the Council via www.newcastle-staffs.gov.uk.

The Council supports the introduction of the MyStaffs app and hundreds of residents from the borough have signed up to get messages and alerts using the system.

During 2016/17 the Council was successful in a bid to the Local Government Association's "Productivity Expert" grant system for £6,000 to help with the development of digital services.

This money will bolster additional council resources which have been identified to help with online forms and integration into the back-office.

So, while some digital steps have already been taken (such as those in Revenues and Benefits) and others are under way (such as those related to online forms), more significant strides could be taken with the introduction of a customer portal.

Officers have done a significant amount of desktop research via discussions with the Local Government Association, other councils, Staffordshire Connects and providers.

To bring all of this together the Council's Digital Delivery Board staged a "showcase" event at the Civic Offices with several customer portal providers invited to make brief presentations on what is currently in the market place.

In addition, talks have taken place with potential partners including Staffordshire Connects and other district councils to consider the benefits of joint working.

The Council is currently working closely with Lichfield District Council who are working with Tamworth Borough Council on a joint procurement exercise supported by Staffordshire County Council and the Staffordshire Connects Partnership.

The Borough Council intends to move staff from the Civic Offices in Newcastle to Castle House – the public sector hub to be shared with Staffordshire County Council and Staffordshire Police – in the coming months and this will require a significant amount of ICT resource.

Once that process is complete, the aim would be to switch focus to implementation of the portal.

Finances and Resources

Buy in to the Digital Delivery agenda is required at all levels across the Council. This is a corporate initiative to realise improvements in accessing the Council's services to the customer together with the delivery of significant savings towards the financial gaps that exist in the Council's Medium Term Financial Strategy.

A savings target of £100k was included in the current year's budget and this is at present on target to be achieved predominantly from other digital delivery initiatives that are already underway.

A number of support services will be key to driving the work forward – namely ICT, Communications, Customer Services and the Business Improvement Team.

What does success look like for this project?

- a) The introduction of a customer portal with end-to-end services.
- b) Redesign of back-office services to take advantage of a digital delivery model.
- c) A reduction in the volume of face-to-face contacts.
- d) A reduction in the volume of telephone contacts.
- e) A reduction in postal charges.
- f) An increase in overall levels of customer satisfaction.
- g) Annual quantifiable efficiency savings for the Council.
- h) A reduction in the cost of legacy back-office applications.
- i) The introduction of a “champion” network of volunteers to support the spread of online usage in our communities.

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