

Collection costs for CT and NDR

The last time tax collection costs were benchmarked were in a 2012 CIPFA Study (doc attached) using data from 2010-11. As demonstrated on page 62, the costs of collection in Wales at £18 per property are significantly lower than costs in England which are around £26 per property. The higher costs in England of contracting the service out is cited as one possible reason for the differential.

Similarly with NDR collection costs on page 74, the costs per hereditament in Wales are £50 compared to £67 in England with contracting out costs again a significant factor.

Collection rates for CT

CT collection rates are published as a statistical release in Wales (<http://gov.wales/statistics-and-research/council-tax-collection-rates/?lang=en>) and published information exists up to 2013-14. In-year collection rates in Wales rose to 97% which is the highest rate since the introduction of the council tax.

In England

(https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/327179/Council_tax_collection_rate_Statistics_Release_July_2014.pdf) the overall rate is the same but is lower (96.7%) for Unitary Authorities (page 4).

In Scotland (<http://www.gov.scot/Publications/2014/06/3066>), the in-year provisional collection rate is 95.2%.

WLGA - Collaboration in the Delivery of Council Tax and Non Domestic Rates Services in Wales

Feasibility Study



Contents

1. Executive Summary	3
2. Overview of Revenue Services (Council Tax & Business Rates) in Wales	8
3. Performance of Revenue Services in Wales	57
4. Identification & Analysis of Successful Collaborations that Incorporate Revenue Services	88
5. Opportunities to Improve Efficiency and Effectiveness of Revenue Services	99
6. Potential Delivery Vehicles for Revenues Collaboration	111
7. Collaboration Options	121
8. Opportunities for Savings	139
9. Costs of Implementation of Collaborative Working	151
10. Further Considerations for Collaboration	154
11. Conclusion	189
12. Appendices	192

1. Executive Summary

Executive Summary

This report sets out the findings of the Chartered Institute of Public Finance and Accountancy's work that analyses the current Council Tax (CT) and Non Domestic Rates (NDR) Services across the 22 local authorities in Wales together with the consideration of the feasibility of collaboration in the delivery of CT and NDR Services in Wales.

The approach to this review has considered a variety of data and information relating to the CT and NDR Services including:-

- An overview of the revenue services in Wales;
- An analysis of the performance of revenue services;
- Identification and analysis of successful revenues collaborations in the UK;
- Opportunities to improve the efficiency and effectiveness of revenues services;
- Potential delivery vehicles for revenues collaboration & collaboration options;
- Opportunities for savings; and
- Cost of implementation of collaborative working and further considerations for collaboration.

The various analyses indicate that there is currently a high level of variation across the operational and financial performance of the services in Wales.

Executive Summary (2)

Within these variations there are examples of good practices and performance, and low cost. There are also examples of current collaborations (particularly among the authorities in North & Mid Wales) that could be extended to other areas in Wales.

We have used the current baseline of performance, costs, headcount, customer service delivery models and ICT infrastructure of the Revenues Services in Wales together with the evidence gathered about current revenues collaborations elsewhere to help inform the future service delivery options for revenues collaboration in Wales.

This review of current Revenues Collaborations has identified that the current collaborations are mainly between District Councils and there is a lack of available evidence around Unitary-Unitary Collaborations. It should also be noted that many of the existing Revenues Collaborations are actually Revenues & Benefits collaborations.

The terms of reference for this review was 'Revenues' only – the current close operational, systems and organisational relationships between CT and Benefits (CTB) has not therefore been explored in this review.

The outputs from this feasibility study have identified potential cost savings and collection performance opportunities and scope for revenues collaboration in Wales.

It should be noted that the CT and NDR potential savings are predicated on an accurate split of costs between the two functions as reflected in the base information used. From experience of other Revenues Service review projects, we are aware that the degree of operational and organisational integration and 'sharing' of resources between these CT and NDR components within a Revenues Service makes the accurate apportionment of costs and headcount difficult to produce. We would expect this to be recognised in the consideration of the current analysis of opportunities for savings and to be addressed in any future more detailed analysis of opportunities for savings in Revenues Services in Wales.

Executive Summary (3)

It should also be noted, that achieving the indicative gross savings requires a change management project/ programme to deliver the savings whilst also maintaining/ improving (collection etc.) performance. This approach will involve costs, examples of which are shown in Section 9 of this report.

We consider the Invest to Save Fund is an option to consider in relation to pump priming CT and NDR collaboration in view of the supporting funding guidance which provides an example of the type of project that the funding would support i.e. *'collaborative projects that deliver gains through the re-engineering of business processes that improve front-line services'*.

This feasibility study has identified two main collaboration models to potentially release these savings and service improvements. These Revenues collaboration models are:-

- **Informal Collaboration** – a cross-Wales managed programme, focused on a 'levelling-up' of the services, to benchmark levels of performance and costs; and
- **Formal Collaboration** – focused on potential shared/ joint service delivery based upon CT and/ or NDR partnership(s) clusters centred on common core ICT systems and EDMS/ DIP systems.

It will be important that planned implementation timescales and resultant potential impacts are evaluated and considered along side key risks, for example changes being introduced by universal credits and localised support for CT and potential changes arising from the Business Rates Wales Review.

A detailed option appraisal of the above options will need to be included as part of any future outline and/ or full business cases.

Introduction

The Chartered Institute of Public Finance & Accountancy (CIPFA) has undertaken a study on behalf of the Society of Welsh Treasurers (SWT) to identify the feasibility of, and the opportunities for, collaboration in service delivery and procurement in the Council Tax (CT) and Non Domestic Rates (NDR) areas of operation.

A crucial element of our work was the analysis of existing data which compares the effectiveness and efficiency of Welsh authorities with revenues services across England.

Our work will form part of the '*Compact for Change*' between Welsh Local Government and the Welsh Government.

The following slides detail the outputs from our feasibility study, which demonstrates a case for collaborative opportunities that will deliver improvements in both costs and performance of the CT and NDR areas of operation.

The next stage for Wales authorities is to undertake outline and full business cases to take forward and realise the opportunities of collaborative working.

2. Overview of Revenue Services (Council Tax & Business Rates) in Wales

Overview of Revenue Services (CT & NDR) in Wales

In order to provide some context to this review we have included information relating to CT and NDR service elements in the following slides, including details on:-

- Current Collaborations;
- Customer Contact;
- Staffing deployment;
- Current ICT systems; and
- Best Practice Benchmarking of procedures & practices.

We have used short name codes for the various authorities and incorporated their Regional Footprint Grouping in the analysis tables (see Appendix A); we have also included the Welsh Index of Multiple Deprivation (Income Related) factor in the tables (see Appendix B).

Current (Wales) Collaborations Analysis

This analysis has been undertaken using the data supplied in response to the CIPFA *Questionnaire 1*, which requested information for CT and NDR relating to the current services including:-

- Current collaborations with Private Sector partners; and
- Current collaborations with other Public Sector (including inter-authority) partners.

The original questionnaire was not prescriptive in its design to enable as wide a scope of partnerships to be reflected in the responses. We have subsequently analysed and grouped the responses according to the types of partnerships (e.g. bailiffs, printing, SPD reviews, training etc.) and these are shown in the tables on the following slides.

The outputs from this analysis will help to inform the consideration of future collaboration and service delivery models later in this report.

Current (Wales) Collaborations Analysis – Public-Private Sector Partnerships (1)

Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW	
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17	
LA >>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	
4.1. Current Partnerships with the Private Sector																							
Bailiffs																							
Excel	Y					Y	Y				Y					Y	Y					Y	
Rossendales	Y									Y													Y
Jacobs									Y	Y				Y	Y								Y
Swift				Y	Y							Y		Y	Y			Y	Y		Y		
Andrew James						Y												Y	Y				
B&S		Y		Y								Y											
Denbighshire/Conwy								Y	Y														
AJ Enforcement																							
Ross & Roberts					Y																		
Bristow & Sutor					Y																		
LoCTA				Y																			
Printing																							
Print Search											Y												Y
MPS																			Y				
FDML									Y														
Kaizen	Y																						
Various							Y																
Tracing																							
Experian	Y		Y	Y							Y	Y		Y	Y		Y						
Rossendales														Y	Y								
SPD Review																							
Northgate																							Y
Payment Cards																							
Co-Op Bank																							Y
Stationery																							
Mail Solutions	Y																						

Current (Wales) Collaborations Analysis – Public-Private Sector Partnerships (2)

From the analysis of the data returned it would appear that the degree of 'joint' collaboration in the matrix of private sector providers with the Welsh revenues services is currently fairly undeveloped; although from our experience elsewhere this would also be a typical scenario amongst other 'neighbouring' Revenues Services who had not yet formally considered whether there are opportunities and benefits to be gained from a more co-ordinated procurement of private sector service partners.

We appreciate that the selection of bailiffs can be a very subjective judgement by authorities/ officers and that authorities tend to not rely solely on one firm of bailiffs for all their general enforcement work to allow for comparisons in performance etc. There does appear to be a wide variety of bailiffs (10 different companies plus Denbighshire/ Conwy) in use across the 20 authorities that returned information and this may provide an opportunity in the future to develop a collaborative service level agreement for bailiff services for potential use across the 22 Welsh Revenue Services.

From our experience elsewhere, it would appear from the data supplied in the returned questionnaires that the level of use of external printing contractors is fairly limited compared with their use at other UK revenue services.

Current (Wales) Collaborations Analysis – Public-Public Sector Partnerships (3)

LA >>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	
4.2. Current Partnerships with the Public Sector																							
Cash in transit contract																							
Flintshire CC	Y																						
SPD review																							
Gwynedd, Conwy, Denbigh, Flint, Wrexham, Ceredigion & Powys	Y						Y	Y	Y	Y	Y						Y						Y
NVQ IRRV Approved assessment centre																							
North West Wales Training Partnership - Anglesey, Gwynedd & Conwy	Y							Y			Y												
Identify vulnerable older and disabled customers and provide a holistic service covering benefit and non benefit services																							
DWP Visiting and Partnership Referrals with North and Mid Wales Local Pension, Disability and Carers Service (jointly also with Anglesey Adult Services)	Y																						
Prosecute Fraud																							
DWP Solicitors Prosecutions	Y																						
Staff training courses e.g. A-Z etc																							
North Wales Revenues Practitioners	Y							Y	Y	Y	Y												Y
Land Searches																							
Land Registry				Y																			
SPD Review (Joint)																							
Northgate											Y												Y
Shared Management																							
Revenues Manager Powys/Cerdigion							Y										Y						

Current (Wales) Collaborations Analysis – Public-Public Sector Partnerships (4)

From an analysis of the data returned it would appear that inter-authority and other public-public collaborations are somewhat more developed around the North Wales (and to an extent Mid-Wales) groupings of revenue services for example for Single Person Discount Reviews and the North West Wales Training Partnership.

It is unclear whether the experiences of these current collaborations has been shared or explored by the other revenue services in other parts of Wales. These current collaborations and the development of case studies and 'lessons learned' could provide useful inputs (and potential catalysts for further collaboration) for the consideration of future opportunities for collaboration in revenues services across Wales.

We will include the outputs from the analysis of these current public-public and public-private and examples from successful 'external' collaborations around revenues services later in this report.

Customer Contact Analysis

This part of the revenues service analysis has used customer contact metrics data supplied by the Welsh authorities as part of the CIPFA benchmarking exercise, as well as additional data collected specifically for this project as part of CIPFA's *Questionnaire 1* which provides details on the operational model adopted by each authority to handle customer contacts.

This analysis has included:-

- Collating together the customer contacts through the various contact channels including mail, e-mail, phone calls and (personal enquiry) visits by customers;
- Identifying the %age of calls answered and abandoned; and
- Identifying the average contacts per property (partly to identify possible failure demand).

There are varying degrees of completeness in the data provided by the 22 authorities which has made a comprehensive and detailed comparative analysis of the data impossible to undertake. Where there has been sufficient data provided for example on calls offered, answered and abandoned we have included the results of that analysis.

The various analyses of current customer contacts are shown on the following slides.

Customer Contact Analysis – CT (1)

Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW		
Welsh Index of Multiple Deprivation	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17		
Index - Income Related																								
I.T. Systems	NIS	NIS	NIS	CAP	NIS	NIS	CAP	CAP	CAP	CIV	CAP	NIS	NIS	CAP	CAP	NIS	NIS	CAP	NIS	NIS	CAP	NIS		
	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	Total	Average
Customer Contacts																								
Items of Mail	10214	0	33296	79422	225902	57279	0	51565	18211	38126	22538	0	0	0	0	31000	41340	94388	102072	40805	22402	15000	883,560	
No. of Emails received	1392	0	2640	4020	19705	0	0	3071	1733	1708	6282	0	250	0	0	1475	0	4850	5500	3422	3262	2600	61,910	
Phone calls offered	41927	0	58240	0	0	0	0	60214	94960	51082	0	0	0	0	0	34832	0	0	77950	0	53000	48918	521,123	
Visits																								
Total no. Enquiries	0	0	5375	0	4715	11914	0	0	0	932	0	0	0	4016	0	0	0	8944	84866	6143	0	7603	134,508	
referred to back office	0	0	4031	0	0	415	0	0	0	0	0	0	0	4016	0	0	0	0	83483	0	0	3646	95,591	
Total number of CT enquires or calls received directly by CT section	159	0	4031	0	0	0	0	2280	0	0	0	0	45	6752	12500	0	0	0	6916	0	0	50		
Total Contacts - Mail, Phone & Visits	53533	0	99551	83442	250322	69193	0	114850	114904	91848	28820	0	250	4016	0	67307	41340	108182	270388	50370	78664	74121	1,601,101	
Average - Contacts per property	1.57	0.00	1.63	1.08	1.69	0.83	0.00	2.07	2.62	1.41	0.48	0.00	0.01	0.06	0.00	1.15	0.68	1.02	2.49	1.26	1.42	1.27	1.0	
Of these phone calls how many were referred to the back office?	0	0	0	0	0	0	0	0	94960	0	0	0	0	0	0	34832	0	0	77950	0	53000	0		
answered	29823	0	56077	144387	0	0	0	58657	32749	49993	0	0	0	0	0	32344	0	0	0	0	41000	48900	493,930	
%age Answered	71%	0%	96%	0%	0%	0%	0%	97%	34%	98%	0%	0%	0%	0%	0%	93%	0%	0%	0%	0%	77%	100%		
abandoned	12104	0	2163	0	0	0	0	8740	62211	928	0	0	0	0	0	2488	0	0	0	0	12000	18	100,652	
%age Abandoned	29%	0%	4%	0%	0%	0%	0%	15%	66%	2%	0%	0%	0%	0%	0%	7%	0%	0%	0%	0%	23%	0%		
What was the average resolution time for phone calls? (seconds)	74		245	103					180							165						120		

Customer Contact Analysis – CT (2)

From the limited analysis that can be undertaken on the customer contacts data supplied for CT Services it would appear that:-

- Average contacts per property (where there is a full set of data for each of the channels) vary between say 1.15 at Pembrokeshire, to 2.62 at Denbighshire; the average for the Wales sample is 1.0 contact per property, although this average is skewed by the 'zero' returns due to the missing data;
- The analysis of the English CIPFA benchmarking equivalent data shows an average of 1.5 contacts per property with a high of 8 contacts per property;
- Calls offered & %age of calls answered – this varies between almost 100% calls answered at Wrexham to 34% calls answered at Denbighshire. This latter figure appears surprising in view of the exceptionally high CT performance (top overall for combined current & previous year collection) that Denbighshire achieved in 2010-11; we would normally expect the high call abandon rates to adversely affect the billing, collection and recovery outcomes of the service.
 - As a comparative indicator the 'commercial' industry standard telephony response targets are:-
 - 95% of calls answered – this is typically within a time threshold of "within 20 seconds" before the caller has a human response.

Customer Contact Analysis – CT (3)

Customer Contacts																						
Regional Footprint Group	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17
LA>>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE
3.1 Council Tax Service Location(s) & Customer Contact handling																						
Where is the back-office Council Tax Service located?			Civic Offices, Bridgend	Penallta House, Ystrad Mynach	City Hall, Cardiff	Ty Elwyn, Llanelli	Canolfan Rheidol					Civic Centre CF47 8AN			The Information Station NP20 4AX		Brecon & Welspool, Plus Homeworke rs	Bronwydd , Porth	Civic Centre Swansea	Pontypool (Civic Centre)	Main Council Building (Civic Offices)	Lambpit Street Office, Wrexham
Is there an operational split between customer service and processing staff for the following contact channels?:-																						
Face to face			Yes; up to a point	Yes	Yes	Yes	Yes				Yes				Yes		Yes	Yes		Yes		Yes
Telephone				Yes		Yes	Yes				Yes						Yes	Yes	Yes	Yes		Partial
If Yes, does your IT system adequately support the split?			Yes	Yes	Yes	Yes	Yes				Yes				Yes		Yes	Yes	Yes	Yes		Yes
If yes, who handles this contact channel?																						
Face to face			Corp.	Corp.	Service	Corp.	Service				Service				Corp.		Corp.	Corp.	Service	Service		Corp.
Telephone			Service	Service	Corp.	Service	Service				Service						Corp.	Corp.	Service	Serv/Corp		Serv/Corp
If yes, does the scope of handling include:-																						
Billing & Collection			Yes		F2F Yes	Tel Yes	Yes				Yes				Yes		Yes	Yes	Yes	Yes		
Pre-Liability Order					F2F Yes		Yes								Yes		Yes	Yes	Yes	Yes		
Liability Order					F2F Yes		Yes								Yes		Yes	Yes	Yes	Yes		
Post Liability Order					F2F Yes		Yes										Yes	Yes	Yes			

Customer Contact Analysis – CT (4)

This part of the customer contact analysis has used the data provided in the CIPFA *Questionnaire 1* responses and relates to:-

- how the back-office and front-office elements of CT are configured;
- whether there is an operational split in the delivery of these two elements;
- if there is an operational split, whether the front-office elements are provided by the service or corporately; and
- the scope of service 'layers' (e.g. billing & collection etc.) and any limitations that are handled by the front-office.

We have undertaken this analysis in order to understand the current customer contact delivery models across the various authorities to gain an understanding of whether there are any potential similarities and synergies between authorities.

We will use this 'baseline' information on customer contacts (together with the information supplied and analysed around current CRM systems) later in this report in the consideration of future service delivery options.

Customer Contact Analysis – CT (5)

The above table shows a varied mix of current service delivery options for CT customer contacts including:-

- no operational split between front & back-office processes;
- 11 authorities where face to face customer contacts are managed separately from back-office functions; 4 of these contact channels are managed by the service with 7 managed corporately;
- 8 authorities where telephone contacts are managed separately; 3 of these contact channels are managed by the service, 3 are managed corporately and 2 are shared between service/corporate;
- each of those authorities also considers that their IT systems adequately support this operational splits; and
- For the various contact channels there are varying degrees of scope/responsibility for the CT billing & collection, pre-liability order, liability order & post liability order 'life-cycle' of events.

Overall the current customer contact service delivery configurations include varying degrees of maturity, including some services including Ceredigion, Powys, Rhondda Cynon Taf & Swansea appearing to have fairly developed, specialist front-office operational configurations for CT.

Customer Contact Analysis – NDR (1)

Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW		
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17		
I.T. Systems	NIS	NIS	NIS	CAP	NIS	NIS	CAP	CAP	CAP	CIV	CAP	NIS	NIS	CAP	CAP	NIS	NIS	CAP	CAP	NIS	CAP	NIS		
LA>>>>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	Total	Average
Customer Contacts																								
Items of Mail	796	0	8486	2080	4353	2374	0	5299	1939	7192	2637	0	0	492	0	0	5945	10266	19638	2551	1825	280	76153	
No. of Emails received	108	0	2244	1034	2054	1332	0	1778	849	828	833	0	50	1964	0	0	2288	1412	214	750	400	18138		
Phone calls offered	3268	0	0	0	14000	0	0	7994	9098	4767	0	0	0	0	0	23266	5611	3163	13600	0	8200	0	92967	
Total no. Enquiries	0	0	50	0	70	356	0	0	0	28	0	0	0	79	0	0	285	357	110	0	40	1375		
referred to back office	0	0	1	0	30	356	0	0	0	0	0	0	0	79	0	0	0	357	0	0	10	833		
Total number of NNDR enquires or calls received directly by NNDRsection	12	0	50	0	20	0	0	0	0	0	0	0	10	0	0	0	0	357	0	0	12	461		
Visits																								
Total no. Enquiries	0	0	50	0	70	356	0	0	0	28	0	0	0	79	0	0	285	357	110	0	40	1375		
referred to back office	0	0	1	0	30	356	0	0	0	0	0	0	0	79	0	0	0	357	0	0	10	833		
Total number of NNDR enquires or calls received directly by NNDRsection	12	0	50	0	20	0	0	0	0	0	0	0	10	0	0	0	0	357	0	0	12	461		
Total Contacts - Mail, Phone & Visits	4196	0	10932	3114	20647	5130	0	15071	11886	12843	3470	0	70	2772	0	23266	11556	16287	36792	2985	10775	804	192596	
Average - Contacts per property	1.6	0.0	2.7	0.7	1.8	0.8	0.0	3.1	3.0	2.6	0.5	0.0	0.0	0.7	0.0	3.7	1.8	2.5	5.1	1.2	3.2	0.2	1.6	
Of these (phone calls) how many were referred to the back office?																23266		13600						
answered	2325	0	0	7321	13300	0	0	7654	4700	4650	0	0	0	0	0	18224	4831	3043	0	0	8000	4800		
%age Answered	71%	#DIV/0!	###	#DIV/0!	95%	###	###	96%	52%	98%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	78%	86%	96%	0%	#DIV/0!	98%	#DIV/0!		
abandoned	943	0	0	0	700	0	0	310	4398	107	0	0	0	0	0	5042	780	119	0	0	200	80		
%age Abandoned	29%	#DIV/0!	###	#DIV/0!	5%	###	###	4%	48%	2%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	22%	14%	4%	0%	#DIV/0!	2%	#DIV/0!		
What was the average resolution time? (seconds)	74	na	na	103	300	na	na	25	180	na	N/A	na	na	na	na	138	0	na	n/a	n/a	600	120		

Customer Contact Analysis – NDR (2)

From the limited analysis that can be undertaken on the customer contacts data supplied for NDR services it would appear that:-

- Average contacts per property (where there is a full set of data for each of the channels) vary between say 1.6 at Angelsey to 5.1 at Swansea; the average for the Wales sample is 1.6 contact per property, although this average is skewed by the 'zero' returns due to the missing data;
- The analysis of the English CIPFA benchmarking equivalent data shows an average of 2.1 contacts per property with a high of 11.5 contacts per property; and
- Calls offered & %age of calls answered – this varies between 98% of calls answered at Vale of Glamorgan to 52% of calls answered at Denbighshire. This latter figure appears surprising in view of the comparatively high NDR performance (joint 3rd on in-year collection) that Denbighshire achieved in 2010-11; we would normally expect the high call abandon rates to adversely affect the billing, collection and recovery outcomes of the service.

Customer Contact Analysis – NDR (3)

Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17
I.T. Systems	NIS	NIS	NIS	CAP	NIS	NIS	CAP	CAP	CAP	CIV	CAP	NIS	NIS	CAP	CAP	NIS	NIS	CAP	NIS	NIS	CAP	NIS
	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE
3.2 Business Rates Service Location(s) & Customer Contact handling																						
Where is the back-office Business Rates Service located?			Civic Offices, Bridgend	Penallta House, Ystrad Mynach	City Hall, Cardiff	Spilman Street, Carmarthen	Canolfan Rheidol	Bodlondeb, Conwy	Russell House, Rhyl	COUNTY HALL, MOLD		Civic Centre CF47 8AN			The Information Station NP20 4AX		Llandrindod Wells Plus home workers	Bronwydd, Porth	Civic Centre Swansea	Pontypool (Civic Centre)	Main Council Building (Civic Offices)	Lambpit Street Office, Wrexham
Is there an operational split between customer service and processing staff for the following contact channels?:-																						
Face to face							Yes										Yes	Yes		Yes		Yes
Telephone							Yes										Yes	Yes		Yes		Partial
If Yes, does your IT system adequately support the split?							Yes										Yes	Yes		Yes		Yes
If yes, who handles this contact channel?																						
Face to face							Service										Corp.	Corp.		Service		Corp.
Telephone							Service										Corp.	Corp.		Service	Corp.	Corp.
If yes, does the scope of handling include:-																						
Billing & Collection							Yes										Yes	Yes		Yes		
Pre-Liability Order							Yes										Yes	Yes		Yes		
Liability Order							Yes										Yes	Yes		Yes		
Post Liability Order							Yes										Yes	Yes				

Customer Contact Analysis – NDR (4)

This part of the customer contact analysis has used the data provided in the CIPFA *Questionnaire 1* responses and relates to:-

- how the back-office and front-office elements of NDR are configured;
- whether there is an operational split in the delivery of these two elements;
- if there is an operational split, whether the front-office elements are provided by the service or corporately; and
- the scope of service 'layers' (e.g. billing & collection etc.) and any limitations that are handled by the front-office.

We have undertaken this analysis in order to understand the current customer contact delivery models across the various authorities to gain an understanding of whether there are any potential similarities and synergies between authorities.

We will use this 'baseline' information on customer contacts (together with the information supplied and analysed around current CRM systems) later in this report in the consideration of future service delivery options.

Customer Contact Analysis – NDR (5)

The above table shows a varied mix of current service delivery options for NDR customer contacts including:-

- A high degree of no operational split between front and back-office processes;
- 5 authorities where face to face customer contacts are managed separately from back-office functions; 2 of these contact channels are managed by the service with 3 managed corporately;
- 5 authorities where telephone contacts are managed separately; 1 of these contact channels are managed by the service, 3 are managed corporately and 1 are shared between service/corporate;
- each of those authorities also considers that their IT systems adequately support this operational splits; and
- For the various contact channels there are varying degrees of scope/responsibly for the CT billing and collection, pre-liability order, liability order & post liability order 'life-cycle' of events.

Overall the current customer contact service delivery configurations include varying degrees of maturity, including some services including Ceredigion, Powys, & Rhondda Cynon Taf appearing to have fairly developed, specialist front-office operational configurations for NDR.

Current Staffing Analysis

This analysis has been undertaken using the data supplied in response to the CIPFA *Questionnaire 1*, which requested information for CT and NDR relating to the current services including:-

- The Single Status agreement implementation status;
- Whether the councils offer flexitime, job-sharing, home-working etc;
- Whether councils have generic working as part of their operational model; and
- Whether councils operate performance management

The analysis of this data will help us to establish some of the organisational aspects of the current CT and NDR services.

The summarised analysis of this information is shown in the following slides; in an attempt to improve the presentational format of the data we have only included data in the tables where the response was other than “no” or “not applicable”.

The outputs from this analysis will be used later in the report to help to inform the consideration of future operating models for Revenue Services.

Current Staffing Analysis – CT (1)

Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17
Authority>>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE
Has the Council completed the Single Status Process?	No	Yes	Yes	Yes	Yes	Yes		Yes	Yes		Yes	Yes						Yes		Yes	Yes	Yes
If Yes, when?	01/04/12	Mar-12	01/04/09	01/04/12	01/09/11			01/04/09	01/04/09		2011-12	01/04/10						Jun-11		Apr-08	01/03/12	01/09/10
If No, is it planned?	Don't know						Jun-12			Autumn 2012							Summer 2012		Imminent			
Do you offer any of the following:-																						
Council Tax																						
Flexitime	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	20		all	All	77.5	All	19.6	All	All	All	19	18.5	3	All	38.5	15	17	All				
Job-sharing	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	0		8	1	13	2				0	2	0		1	16.5	0	2	0				
Home working	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	1		8		15	1	2			7	1				6	4		10	2			
Mobile working	Yes	Yes			Yes		Yes	Yes	Yes	Yes		Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	0				6		1.5	2	2	2		5		0	2	1						
Condensed Hours	Yes	Yes			Yes	Yes			Yes	0				Yes	0	Yes	0	Yes	0	Yes	0	Yes
If yes - No. of Staff involved	0				3	1			0													0
Reduced Hours	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	0		10	1	7	3	2	1	3	4	1		0	5*	0	0	1	3				
Term-time only	Yes	Yes			Yes	Yes			Yes	0								Yes				Yes
If yes - No. of Staff involved	0				6				0									0				0
Annual Hours	Yes	Yes							Yes	0								Yes				Yes
If yes - No. of Staff involved	0							Yes	0									0				0
Employment Break		Yes	Yes	Yes	Yes	Yes		Yes	Yes										Yes	Yes	Yes	Yes
If yes - No. of Staff involved			0	0	2			0	Yes										0	1	0	
Other								Yes														
If yes - No. of Staff involved								0														
If Yes to Home Working																						
Do you have appropriate IT arrangements in place to support home working?	Yes	Yes	Yes	Yes	yes		Yes	yes		yes		yes				Yes	Yes		Yes	Yes		
Do you have formal policies & procedures (e.g. health & safety, IT, monitoring arrangements) in place to support this operating model?	Yes	Yes	Yes	Yes	yes		Yes	yes		yes		yes				Yes	Yes		Yes	Yes		

Current Staffing Analysis – CT (2)

	Yes
Has the Council completed the Single Status Process?	13
If Yes, when?	
If No, is it planned?	
Do you offer any of the following:-	
Council Tax	
Flexitime	17
If yes - No. of Staff involved	
Job-sharing	13
If yes - No. of Staff involved	
Home working	10
If yes - No. of Staff involved	
Mobile working	8
If yes - No. of Staff involved	
Condensed Hours	6
If yes - No. of Staff involved	
Reduced Hours	16
If yes - No. of Staff involved	
Term-time only	5
If yes - No. of Staff involved	
Annual Hours	3
If yes - No. of Staff involved	
Employment Break	8
If yes - No. of Staff involved	
Other	1
If yes - No. of Staff involved	
If Yes to Home Working	
Do you have appropriate IT arrangements in place to support home working?	14
Do you have formal policies & procedures (e.g. health & safety, IT, monitoring arrangements) in place to support this operating model?	14

Current Staffing Analysis – CT (3)

This analysis for CT services shows that from the responses returned that:-

- Single status has currently been implemented by 12 authorities with a further 4 planning to implement the agreement in the current year;
- Home-working has been adopted by 10 authorities and 14 authorities have appropriate IT arrangements & policies that support home-working; and
- Mobile working has been adopted by 8 authorities.

Current Staffing Analysis – NDR (1)

Current Staffing																						
Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17
	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE
Business Rates																						
Flexitime	Yes	Yes	yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	20		all	All		4		3.6	All		All	1			2.5	6	2	All	6	2	2.5	0
Job-sharing	Yes	Yes	yes	Yes		Yes	Yes			Yes					Yes			Yes	Yes	Yes		Yes
If yes - No. of Staff involved	0			1		2									0			0	2	0		0
Home working	Yes	Yes	yes				Yes			Yes								Yes		Yes	Yes	
If yes - No. of Staff involved	1																	0		1	1	
Mobile working	Yes	Yes						Yes	Yes	Yes								Yes		Yes		
If yes - No. of Staff involved	0							0.5	2									0		0		
Condensed Hours	Yes	Yes					Yes			Yes								Yes		Yes		Yes
If yes - No. of Staff involved	0																	0		0		0
Reduced Hours	Yes	Yes	yes	Yes			Yes	Yes	Yes	Yes					Yes			Yes	Yes	Yes	Yes	Yes
If yes - No. of Staff involved	0							1	0						0			0		0		0
Term-time only	Yes	Yes					Yes			Yes								Yes		Yes		Yes
If yes - No. of Staff involved	0																	0				1
Annual Hours	Yes	Yes								Yes								Yes				Yes
If yes - No. of Staff involved	0																	0				0
Employment Break	No	Yes	yes	Yes			Yes		Yes									0			Yes	Yes
If yes - No. of Staff involved				0					0											0		0
Other		Yes							Yes													
If yes - No. of Staff involved									0													
If Yes to Home Working																						
Do you have appropriate IT arrangements in place to support home working?	Yes	Yes	Yes	Yes			Yes			yes							Yes	Yes		Yes	Yes	
Do you have formal policies & procedures (e.g. health & safety, IT, monitoring arrangements) in place to support this operating model?	Yes	Yes	Yes	Yes			Yes			yes							Yes	Yes		Yes	Yes	

Current Staffing Analysis – NDR (2)

	Yes
Business Rates	
Flexitime	17
If yes - No. of Staff involved	
Job-sharing	10
If yes - No. of Staff involved	
Home working	6
If yes - No. of Staff involved	
Mobile working	5
If yes - No. of Staff involved	
Condensed Hours	5
If yes - No. of Staff involved	
Reduced Hours	10
If yes - No. of Staff involved	
Term-time only	4
If yes - No. of Staff involved	
Annual Hours	3
If yes - No. of Staff involved	
Employment Break	6
If yes - No. of Staff involved	
Other	1
If yes - No. of Staff involved	
If Yes to Home Working	
Do you have appropriate IT arrangements in place to support home working?	10
Do you have formal policies & procedures (e.g. health & safety, IT, monitoring arrangements) in place to support this operating model?	10

Current Staffing Analysis – NDR (3)

This analysis for NDR services shows that from the responses returned that:-

- Home-working has been adopted by 6 authorities and 10 authorities have appropriate IT arrangements & policies that support home-working; and
- Mobile working has been adopted by 5 authorities.

Current Staffing Analysis – Generic Working (1)

Current Staffing																							
	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW	
Regional Footprint Group																							
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17	
	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	
Do you have Generic work teams																							
Council Tax/NNDR	Yes	Yes	Partial	Partial	Partial		Yes		Yes	Partial	Yes					Partial		Partial		Yes	Yes	Partial	
Council Tax/Benefits									Partial							Partial							
Benefits/NNDR																							
Other		Yes							Yes														
If Council Tax/NNDR generic work teams does their scope include Recovery?	Yes	Yes	Yes	Partial	Yes		Yes		Yes	Yes						Partial		Yes		Yes	Yes		
Do you have Generic workers																							
Council Tax/NNDR	Yes	Yes	Partial	Partial	Partial	Partial	Yes		Yes	Yes	Partial	Partial			Partial	Partial		Partial		Yes	Yes		
Council Tax/Benefits									Partial							Partial						Yes	
Benefits/NNDR																						Yes	
Other		Yes																					
If Council Tax/NNDR generic workers does their scope include Recovery?	Yes	Yes	Yes	Partial	Yes	Partial	Yes		Yes	Yes					Partial			Yes		Yes	Yes		

Current Staffing Analysis – Generic Working (2)

	Yes	Partial
Do you have Generic work teams		
Council Tax/NNDR	4	7
Council Tax/Benefits	0	2
Benefits/NNDR	0	0
Other	0	0
If Council Tax/NNDR generic work teams does their scope include Recovery?	6	2
Do you have Generic workers		0
Council Tax/NNDR	4	9
Council Tax/Benefits	1	2
Benefits/NNDR	1	0
Other		0
If Council Tax/NNDR generic workers does their scope include Recovery?	7	3

Current Staffing Analysis – Generic Working (3)

This analysis shows that:-

- Generic work teams covering CT and NDR have been implemented either wholly (4) or partially (7) at 11 of the local authorities;
- Of these teams 8 of them have a scope of responsibility that includes recovery tasks;
- Generic workers covering CT and NDR are in place either wholly (4) or partially (9) at 13 local authorities; and
- Of these generic workers 10 have a scope of responsibility that includes recovery.

Current Staffing Analysis – Performance Management (1)

Current Staffing																							
	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW	
Regional Footprint Group																							
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17	
	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	
Performance Management																							
Do you operate a formal Performance Management Infrastructure(PMI) to measure & monitor staff performance against targets on a daily/weekly/monthly basis?		Yes	Yes		yes			Yes		Yes						Yes		Yes	Yes	Yes		Yes	
If Yes, frequency of monitoring		Collection performance reported quarterly to scrutiny committee.	monthly		monthly			Monthly		Monthly						Weekly, monthly		Daily, weekly, monthly	Monthly	Monthly			Monthly monitoring; Quarterly reports to Council
If yes, do you use a Performance Management software package to monitor performance?		Yes																Yes		Yes		Yes	

Current Staffing Analysis – Performance Management (2)

Performance Management		
Do you operate a formal Performance Management Infrastructure(PMI) to measure & monitor staff performance against targets on a daily/weekly/monthly basis?	10	
If Yes, frequency of monitoring		
If yes, do you use a Performance Management software package to monitor performance?	4	

Current Staffing Analysis – Performance Management (3)

This analysis shows that 10 local authorities operate a formal performance management infrastructure to (proactively) measure staff performance against targets.

Of those, 4 use a performance management software package to monitor performance.

These findings relating to current performance management practices would appear to show that, from our experience of other revenue service operations elsewhere in the UK, there is less focus on performance management amongst a number of these Welsh revenue services than we have encountered elsewhere.

Current ICT Analysis

This analysis has been undertaken using the data supplied in response to the CIPFA *Questionnaire 1*, which requested information for CT and NDR relating to the current ICT infrastructure including:-

- Current suppliers of core IT systems for CT & NDR;
- Current suppliers (if any) of DIP, workflow, cash receipting, CRM & financial management systems; and
- E-services adoption.

We have used the following abbreviated I.T. supplier names in this and other analysis tables:-

- NIS = Northgate/SX3;
- CAP = Capita/Academy; and
- CIV = Civica/OPENRevenues.

We have also incorporated the regional footprint groupings in this analysis.

The summarised analysis of this data relating to the current ICT infrastructure at the various CT and NDR services is shown in the following slides. ***NB rather than replicate the analysis tables for NDR systems, only Swansea currently has a different NDR system supplier (Capita) to their CT system supplier (Northgate).***

The outputs from this analysis will be used later in the report to help to inform the consideration of future operating models for revenue services, and whether any current ICT investments and synergies can form the basis for potential future collaborations.

Current ICT Analysis - Current ICT Systems

ICT Systems	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW
Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17
Local Authority>>>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE
Main System Suppliers																						
Council Tax	NIS	NIS	NIS	CAP	NIS	NIS	CAP	CAP	CAP	CIV	CAP	NIS	NIS	CAP	CAP	NIS	NIS	CAP	NIS	NIS	CAP	NIS
Recent Change?																						
Future Change?												Yes					?					
I.T Provision?	Central	Own	Central	Central	Central	Central	Central	Outsourced	Central	Own	Own	Own	Local	Own	Central	Central	Own	Own	Outsourced	Own	Own	Own
Business Rates	NIS	NIS	NIS	CAP	NIS	NIS	CAP	CAP	CAP	CIV	CAP	NIS	NIS	CAP	CAP	NIS	NIS	CAP	CAP	NIS	CAP	NIS
Recent Change?																						
Future Change?																	?		Yes			
I.T Provision?	Central	Central	Central	Own	Own	Central	Central	Own	Central	Own	Own	Own	Central	Own	Central	Central	Own	Central	Outsourced	Own	Own	Central
DIP	n/a	CIV	Anite	IDOX	CIV	NIS	CIV	NIS	CIV	CIV	Open Text	Anite			NIS	NIS	CIV	Anite	CIV	NIS	Open Text	CIV
Recent Change?																						
Future Change?																						
Workflow	n/a	CIV	Anite	IDOX	CIV		CIV	NIS	CIV	CIV	Open Text				NIS	NIS	CIV	Anite	CIV	NIS	Open Text	CIV
Recent Change?																						
Future Change?																						
Cash Receipting	CAP	CAP		Unit 4	CAP	CIV	CAP	In house	CAP	CIV	CAP	CAP			CAP	NIS	CAP	CIV	CIV	CIV	NIS	CIV
Recent Change?																						Yes - hosted
Future Change?					Yes	Possibly						Yes					?					Possibly
CRM	n/a	Mittel		NIS		In-house				In House	Siebel				Oracle	Belfast		Lagan	Cardiff		Oracle	Belfast
Recent Change?																						
Future Change?												Yes										Yes
Financial Management	NIS	CIV		COA	SAP	Agresso	CIV	Masterpiece	NIS	Masterpiece	COA	Agresso		Oracle	IN4	Efnancials	CIV	Oracle	CIV	Oracle	Masterpiece	
Recent Change?																						
Future Change?	Yes				Yes																	

Current ICT Analysis – CT & NDR ICT Suppliers

ICT Suppliers Sorted By LA

LA	C Tax I.T. Supplier	Regional Footprint
Anglesey	NIS	NW
Blaenau Gwent	NIS	GWT
Bridgend	NIS	WBAY
Caerphilly	CAP	GWT
Cardiff	NIS	C&V
Carmarthenshire	NIS	M&W
Ceredigion	CAP	M&W
Conwy	CAP	NW
Denbighshire	CAP	NW
Flintshire	CIV	NW
Gwynedd	CAP	NW
Merthyr Tydfil	NIS	CTAF
Monmouthshire	NIS	GWT
Neath Port Talbot	CAP	WBAY
Newport	CAP	GWT
Pembrokeshire	NIS	M&W
Powys	NIS	M&W
Rhondda Cynon Taf	CAP	CTAF
Swansea	NIS	WBAY
Torfaen	NIS	GWT
Vale of Glamorgan	CAP	C&V
Wrexham	NIS	NW

ICT Suppliers Sorted By Suppliers

LA	C Tax I.T. Supplier	Regional Footprint
Vale of Glamorgan	CAP	C&V
Rhondda Cynon Taf	CAP	CTAF
Caerphilly	CAP	GWT
Newport	CAP	GWT
Ceredigion	CAP	M&W
Conwy	CAP	NW
Denbighshire	CAP	NW
Gwynedd	CAP	NW
Neath Port Talbot	CAP	WBAY
Flintshire	CIV	NW
Cardiff	NIS	C&V
Merthyr Tydfil	NIS	CTAF
Blaenau Gwent	NIS	GWT
Monmouthshire	NIS	GWT
Torfaen	NIS	GWT
Carmarthenshire	NIS	M&W
Pembrokeshire	NIS	M&W
Powys	NIS	M&W
Anglesey	NIS	NW
Wrexham	NIS	NW
Bridgend	NIS	WBAY
Swansea	NIS	WBAY

Current ICT Analysis – CT & NDR ICT Suppliers sorted by Regional Footprint

LA	C Tax I.T. Supplier	Regional Footprint
Vale of Glamorgan	CAP	C&V
Cardiff	NIS	C&V
Rhondda Cynon Taf	CAP	CTAF
Merthyr Tydfil	NIS	CTAF
Caerphilly	CAP	GWT
Newport	CAP	GWT
Blaenau Gwent	NIS	GWT
Monmouthshire	NIS	GWT
Torfaen	NIS	GWT
Ceredigion	CAP	M&W
Carmarthenshire	NIS	M&W
Pembrokeshire	NIS	M&W
Powys	NIS	M&W
Conwy	CAP	NW
Denbighshire	CAP	NW
Gwynedd	CAP	NW
Flintshire	CIV	NW
Anglesey	NIS	NW
Wrexham	NIS	NW
Neath Port Talbot	CAP	WBAY
Bridgend	NIS	WBAY
Swansea	NIS	WBAY

Current ICT Analysis - Current ICT Systems (1)

In this part of the overall analysis of your current ICT infrastructure across the 22 revenue services, we have been identifying the common suppliers for your various core and support ICT systems and colour coding these for ease of visual analysis.

The **core CT and NDR system suppliers** are composed of:-

- Northgate – 12 sites;
- Capita – 9 sites; and
- Civica – 1 site.

The Civica site is Flintshire in the North Wales Regional Footprint (RF) Group, with no RF Group area showing any total dominance by either Northgate or Capita. The questionnaire responses also seemed to indicate that there are no imminent plans (other than Merthyr Tydfil) to change suppliers.

This analysis also indicates a mixture of ICT revenues systems delivery being undertaken at both local and central level, with Swansea having an IT outsourcing contract for both CT and NDR systems and Conway having outsourced their CT system delivery.

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Current ICT Analysis - Current ICT Systems (2)

We also note that the cost analysis (see Section 3) does not appear to show any particular correlation between CT/ NDR system usage and gross cost of service/ property or hereditament.

The combined (current + previous years) collection performance analysis (Section 3) for CT does appear to show a cluster of bottom quartile (albeit some with high levels of deprivation) authorities that use the Northgate system.

We have been analysing the public domain CT/ NDR collection performance data (from the ODPM/ CLG) for some time and have been applying the system supplier details alongside the ranked performance and it does not appear to show any particular correlation, with each of the suppliers Northgate, Capita & Civica represented in the top ten CT collection performers in England for 2010-11.

We will consider current ICT systems synergies and the potential opportunities for any future collaborations later in the service options section of this report and also identify any common ICT usage in the evaluation of current (external) revenues partnerships.

Current ICT Analysis - Current ICT Systems (3)

The next layer of ICT systems that we have analysed are the DIP & workflow systems. These systems are composed of :-

Supplier	DIP	Workflow	Users
Civica	8	8	BG,CAR,CER,DEN,FLI,P OW,SWA,WRE
IDOX	1	0	CAE
Northgate	5	3 (CAM DIP Only)	CAM,CON,NEW,TOR,PE M
Open Text	2	2	GWY,VOG
Anite	3	2 (MT DIP only)	MT, BRI & RCT

We will consider the use of DIP and workflow technologies as key enablers for 'virtual' shared services/ collaborative processing in the service options part of this report and also discuss market trends involving DIP/ workflow later in this report.

Current ICT Analysis - Current level of e-Services (1)

ICT Systems																							
Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW	
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17	
Local Authority>>>>	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	
e-Services																							
Do you provide Internet access to the public for any of the following:-																							
On-line Application Forms					Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	Yes	Yes		
Change of Circumstances Forms					Yes			Yes	Yes	Yes	Yes	Yes			Yes		Yes	Yes	Yes	Yes	Yes		
Accessing claims details						Yes	Yes			Yes											Yes	Yes	
Downloading Leaflets		Yes			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Notification Forms		Yes				Yes		Yes		Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	Yes		
Change of Address Forms		Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Account details		Yes				Yes				Yes							due May 12			Yes	Yes		
Downloading Leaflets		Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Making payments	Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Have you introduced e-billing?																							
Council Tax								Yes	Yes		Yes											Yes	
%age take-up								3.30%	0.01%													Minimal	
Business Rates											Yes											Yes	
%age take-up																						Minimal	

Current ICT Analysis - Current level of e-Services (2)

This aspect of the ICT analysis has looked at the responses provided in the CIPFA *Questionnaire 1* around the provision of e-services for revenue services customers.

The responses show that there is already a fairly widespread provision of various levels of e-service provision for revenues services customers across the Welsh authorities.

Whilst it has not been a comprehensive 'survey' we have also looked at a number of the council web-sites to understand the degree of maturity of the current e-services for revenues services and note a range of formats from Microsoft Word & PDF documents that need to be completed, printed & returned through to comprehensive e-forms (e.g. Cardiff & Rhondda Cynon Taf).

We will discuss the use of e-services and e-forms and some emerging solutions for the automated validation and processing of these forms/data in the 'innovations' and latest trends in revenue services part of this report.

Best Practice Self-Assessment

This analysis has used the Greater Manchester (GM) Best Practice questionnaires format for CT and NDR services. The questionnaires were originally developed by the GM group of local authorities to compile a range of considered best practice questions for revenues services to be used a self-assessment checklist to assess practices and procedures in CT and NDR.

This GM Best Practice benchmarking methodology is similar in concept to the former DWP performance assessment used to 'score' housing benefit services under the Comprehensive Performance Assessment (CPA) regime.

The GM Best Practice questionnaires for CT and NDR contain over 200 detailed questions under a range of service topics such as:-

- Valuation;
- Billing; and
- Payment Methods through to recovery and also covering ICT, quality , e-government & data protection.

We have used this analysis to augment the other data-focused analyses and to provide us with an insight into the current best practice compliance of the various CT and NDR services. From experience of previous revenues service reviews, the best practice self-assessment can also be useful for subsequent inter-authority use in identifying potential exemplar 'best practice' examples as part of any 'learning from others' plans; we have highlighted the 'high' scoring service elements in the following tables.

The summarised best practice scorecards for CT and NDR services are shown in the following slides.

Best Practice self-assessment – CT (1)

Questionnaire 2 Council Tax Best Practice All Authority Summarised Score																									
Topic/Business Area	Summarised Score																								
	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NPT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE	Average	High	Low
Regional Footprint Group	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT	C&V	NW			
Welsh Index of Multiple Deprivation Index - Income Related	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17			
Compilation /Maintenance of the Valuation List.	63%	73%	97%	87%	60%	80%	80%	80%	83%	87%	80%	70%			63%	70%	87%	100%	97%	80%	77%	80%	100%	60%	
Billing	57%	63%	59%	61%	61%	65%	83%	83%	70%	78%	65%	80%			52%	52%	67%	83%	74%	74%	57%	68%	83%	52%	
Payment Methods	81%	81%	90%	84%	97%	84%	84%	74%	81%	87%	61%	90%			94%	90%	87%	87%	71%	90%	94%	85%	97%	61%	
Maintenance of Accounts	64%	100%	100%	73%	91%	100%	73%	77%	100%	100%	100%	91%			100%	73%	100%	100%	100%	100%	73%	90%	100%	64%	
Reductions, Reliefs, Exemptions	50%	100%	93%	86%	71%	93%	64%	100%	100%	100%	100%	64%			57%	86%	93%	100%	93%	79%	71%	84%	100%	50%	
Benefit System Links	43%	71%	50%	64%	43%	64%	57%	100%	100%	50%	79%	57%			79%	71%	79%	57%	93%	64%	57%	67%	100%	43%	
Anti-poverty	25%	92%	50%	50%	75%	58%	0%	83%	92%	100%	83%	50%			75%	67%	75%	83%	50%	33%	33%	62%	100%	0%	
Pre Liability Order Recovery	10%	60%	75%	70%	63%	85%	28%	35%	85%	75%	70%	40%			40%	45%	100%	85%	58%	55%	70%	60%	100%	10%	
Post Liability Order Recovery	42%	58%	75%	67%	75%	67%	42%	58%	83%	67%	67%	58%			67%	67%	67%	67%	67%	67%	50%	67%	64%	83%	42%
Bailiff and External Agency Recovery (unless stated refers to both internal and external bailiffs)	49%	57%	81%	79%	79%	83%	29%	65%	86%	83%	94%	53%			56%	83%	92%	83%	60%	51%	72%	70%	94%	29%	
Committals	0%	69%	81%	69%	92%	0%	15%	73%	92%	77%	77%	69%			62%	81%	96%	92%	81%	73%	58%	66%	96%	0%	
Write Offs	43%	57%	79%	100%	100%	86%	86%	100%	100%	79%	100%	86%			43%	71%	93%	100%	43%	86%	93%	81%	100%	43%	
Customer Care	25%	48%	62%	72%	61%	65%	32%	48%	74%	65%	55%	41%			47%	47%	76%	75%	85%	34%	61%	57%	85%	25%	
Inspections	43%	77%	77%	73%	57%	63%	53%	87%	93%	77%	80%	55%			67%	62%	87%	80%	87%	50%	53%	69%	93%	43%	
Staff	54%	84%	82%	66%	75%	82%	34%	75%	91%	68%	68%	64%			68%	79%	86%	100%	86%	75%	86%	75%	100%	34%	
Quality	25%	55%	50%	35%	50%	50%	40%	45%	65%	40%	30%	40%			20%	50%	50%	60%	30%	30%	95%	45%	95%	20%	
Appeals (Under Section 16)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Systems	75%	79%	90%	90%	94%	83%	90%	87%	92%	100%	100%	96%			73%	83%	94%	100%	92%	77%	90%	89%	100%	73%	
e-Government	50%	57%	68%	53%	64%	75%	64%	68%	64%	67%	50%	50%			50%	50%	57%	57%	79%	46%	59%	79%	46%		
Data Protection	100%	67%	67%	100%	100%	100%	33%	67%	100%	100%	100%	100%			100%	67%	100%	100%	100%	100%	100%	89%	100%	33%	
TOTAL	46%	68%	76%	74%	74%	71%	53%	72%	84%	77%	74%	66%			62%	68%	84%	83%	74%	66%	70%	71%	84%	46%	

Best Practice self-assessment – CT (2) ranked summary score

Local Authority	%age Score	Regional Footprint Group
DEN	84.1%	NW
RCT	83.9%	CTAF
SWA	82.7%	WBAY
FLI	77.3%	NW
BRI	76.0%	WBAY
CAE	74.2%	GWT
TOR	74.2%	GWT
CAR	74.1%	C&V
GWY	73.6%	NW
CON	71.7%	NW
CAM	71.2%	M&W
WRE	70.5%	NW
BG	68.4%	GWT
PEM	68.4%	M&W
POW	67.6%	M&W
VOG	66.3%	C&V
MT	65.9%	CTAF
NEW	61.6%	GWT
CER	53.4%	M&W
ANG	46.1%	NW
MON	0.0%	GWT
NPT	0.0%	WBAY

Best Practice self-assessment – CT (3)

Like many best practice 'checklists' this best practice self-assessment is reflecting a measure of compliance to 'good' practices and procedures around business processes and business rules.

In an attempt to check the effectiveness of the key service deliverable of collection performance against ranked best practice scores, we have also undertaken an analysis of the potential effectiveness ("achieving desired results") of these processes and practices by including the CT collection performance (and later the NDR analysis) outcomes to test any correlation between the two measures.

This combined analysis is shown in the tables in the following slides.

One observation from the analysis is that Denbighshire appears to be undertaking the CT service in both a compliant and (collection) effective manner.

Best Practice self-assessment – CT (4) Best Practice Compliance vs. Effectiveness in Collection

Local Authority	%age Score	Regional Footprint Group	In-year Collection	BP Rank	Ct in-year Colln. Rank	Ct Combined Colln. Rank
DEN	84.1%	NW	98.2%	1	1	1
RCT	83.9%	CTAF	96.9%	2	10	6
SWA	82.7%	WBAY	96.0%	3	17	20
FLI	77.3%	NW	97.5%	4	4	2
BRI	76.0%	WBAY	96.5%	5	15	18
CAE	74.2%	GWT	95.8%	6	18	14
TOR	74.2%	GWT	97.1%	6	7	9
CAR	74.1%	C&V	94.5%	8	22	11
GWY	73.6%	NW	96.7%	9	14	5
CON	71.7%	NW	96.9%	10	10	8
CAM	71.2%	M&W	97.6%	11	2	19
WRE	70.5%	NW	96.9%	12	10	16
BG	68.4%	GWT	95.4%	13	20	22
PEM	68.4%	M&W	97.6%	13	2	4
POW	67.6%	M&W	97.3%	15	5	7
VOG	66.3%	C&V	97.1%	16	7	3
MT	65.9%	CTAF	95.3%	17	21	13
NEW	61.6%	GWT	95.7%	18	19	9
CER	53.4%	M&W	96.8%	19	13	15
ANG	46.1%	NW	96.4%	20	16	17
MON	0.0%	GWT	97.0%		9	21
NPT	0.0%	WBAY	97.2%		6	12

Best Practice self-assessment – NDR (1)

Questionnaire 3 NDR Best Practice All LAs Summarised Score																									
Area	Summarised Score																				Average	High	Low		
	NW	GWT	WBAY	GWT	C&V	M&W	M&W	NW	NW	NW	NW	CTAF	GWT	WBAY	GWT	M&W	M&W	CTAF	WBAY	GWT				C&V	NW
Regional Footprint Group	14	1	12	5	9	11	20	13	10	19	16	2	22	3	6	15	21	4	7	8	18	17			
Welsh Index of Multiple Deprivation Index - Income Related	ANG	BG	BRI	CAE	CAR	CAM	CER	CON	DEN	FLI	GWY	MT	MON	NFT	NEW	PEM	POW	RCT	SWA	TOR	VOG	WRE			
Compilation /Maintenance of the Valuation List.	81%	100%	100%	94%	88%	100%	63%	100%	100%	100%	100%	100%			81%	75%	88%	100%	100%	94%	100%	100%	93%	100%	63%
Billing	70%	75%	70%	60%	85%	55%	80%	70%	75%	90%	90%	90%			60%	85%	65%	90%	60%	85%	70%	75%	75%	90%	55%
Maintenance of Accounts	67%	92%	92%	75%	67%	100%	58%	67%	100%	100%	100%	100%			83%	100%	75%	100%	100%	83%	67%	100%	86%	100%	58%
Reductions, Reliefs, Exemptions	50%	100%	83%	50%	50%	67%	33%	67%	100%	83%	100%	100%			100%	83%	50%	100%	67%	67%	67%	100%	76%	100%	33%
Refunds/Interest	40%	80%	80%	70%	70%	100%	90%	80%	100%	100%	100%	90%			60%	100%	60%	90%	100%	70%	100%	80%	83%	100%	40%
Pre Liability Order Recovery	59%	68%	82%	68%	86%	91%	50%	36%	91%	91%	82%	64%			45%	68%	82%	91%	91%	55%	59%	68%	71%	91%	36%
Post Liability Order Recovery	25%	92%	83%	83%	58%	83%	50%	58%	83%	100%	100%	100%			100%	75%	75%	83%	100%	83%	100%	75%	80%	100%	25%
Bailiff and External Agency Recovery	58%	77%	81%	85%	96%	77%	62%	65%	88%	100%	100%	69%			62%	73%	81%	65%	85%	73%	77%	77%	78%	100%	58%
Committals	0%	71%	62%	100%	100%	12%	6%	85%	88%	85%	76%	59%			59%	74%	85%	76%	100%	79%	94%	74%	69%	100%	0%
Write Offs	60%	80%	70%	84%	100%	100%	80%	90%	100%	100%	100%	100%			40%	70%	100%	100%	100%	80%	100%	80%	87%	100%	40%
Customer Care	21%	66%	66%	72%	61%	76%	29%	42%	76%	82%	63%	50%			32%	71%	50%	95%	74%	89%	26%	84%	61%	95%	21%
Inspections.	63%	97%	78%	69%	72%	91%	72%	91%	97%	78%	81%	41%			75%	41%	59%	81%	88%	75%	69%	81%	75%	97%	41%
Staff	75%	94%	75%	89%	69%	75%	63%	88%	81%	81%	63%	63%			75%	100%	75%	88%	100%	81%	88%	81%	80%	100%	63%
Information Technology	65%	83%	87%	100%	89%	72%	80%	78%	89%	96%	85%	87%			70%	70%	74%	89%	89%	91%	74%	81%	83%	100%	65%
Data Protection	100%	100%	50%	25%	100%	100%	50%	50%	100%	100%	100%	50%			100%	100%	100%	100%	100%	100%	100%	100%	86%	100%	25%
Anti-poverty	17%	83%	33%	100%	75%	50%	0%	83%	100%	100%	67%	58%			67%	33%	50%	58%	83%	50%	33%	33%	59%	100%	0%
Quality	17%	83%	50%	25%	33%	33%	33%	75%	67%	17%	50%	50%			0%	50%	33%	50%	50%	17%	0%	50%	38%	83%	0%
Management Information	100%	100%	100%	80%	100%	100%	100%	100%	100%	100%	100%	100%			100%	100%	100%	100%	100%	100%	100%	100%	99%	100%	80%
TOTAL	49%	82%	78%	80%	80%	82%	62%	71%	94%	91%	82%	72%			63%	72%	71%	87%	89%	78%	72%	79%	77%	94%	49%

Best Practice self-assessment – NDR (2) ranked summary score

Local Authority	%age Score	Regional Footprint Group	In-year Collection	BP Ranking
DEN	93.8%	NW	98.7	1
FLI	90.8%	NW	98.94	2
SWA	89.1%	WBAY	96.58	3
RCT	87.0%	CTAF	97.08	4
CAM	82.3%	M&W	96.37	5
BG	82.1%	GWT	98.39	6
GWY	82.1%	NW	97.46	6
CAE	80.3%	GWT	96.1	8
CAR	79.8%	C&V	96.37	9
WRE	78.9%	NW	95.82	10
BRI	78.4%	WBAY	96.7	11
TOR	78.3%	GWT		12
VOG	72.1%	C&V	98.6	13
MT	71.7%	CTAF	98.2	14
PEM	71.7%	M&W	98.1	14
CON	71.1%	NW	98.67	16
POW	70.8%	M&W	98.1	17
NEW	63.0%	GWT	98.76	18
CER	61.6%	M&W	96.14	19
ANG	48.8%	NW	97.7	20
MON	0.0%	GWT	97.7	
NPT	0.0%	WBAY	98.2	

Best Practice self-assessment – NDR (3) Best Practice Compliance vs. Effectiveness in Collection

In an attempt to check the effectiveness of the key service deliverable of collection performance against ranked best practice scores we have also undertaken an analysis of the potential effectiveness (“achieving desired results”) of these processes and practices by including the NDR collection performance outcomes to test any correlation between the two measures.

This combined analysis is shown in the table in the following slide.

One observation from this analysis is that Denbighshire and Flintshire both appear to be undertaking the NDR services in both a compliant and (collection) effective manner.

Best Practice self-assessment – NDR (4) Best Practice Compliance vs. Effectiveness in Collection

Local Authority	%age Score	Regional Footprint Group	In-year Collection	BP Ranking	Colln. Ranking
DEN	93.8%	NW	98.7	1	3
FLI	90.8%	NW	98.94	2	1
SWA	89.1%	WBAY	96.58	3	16
RCT	87.0%	CTAF	97.08	4	14
CAM	82.3%	M&W	96.37	5	17
BG	82.1%	GWT	98.39	6	6
GWY	82.1%	NW	97.46	6	13
CAE	80.3%	GWT	96.1	8	20
CAR	79.8%	C&V	96.37	9	18
WRE	78.9%	NW	95.82	10	21
BRI	78.4%	WBAY	96.7	11	15
TOR	78.3%	GWT		12	
VOG	72.1%	C&V	98.6	13	5
MT	71.7%	CTAF	98.2	14	7
PEM	71.7%	M&W	98.1	14	10
CON	71.1%	NW	98.67	16	4
POW	70.8%	M&W	98.1	17	9
NEW	63.0%	GWT	98.76	18	2
CER	61.6%	M&W	96.14	19	19
ANG	48.8%	NW	97.7	20	11
NPT	0.0%	WBAY	98.2		8
MON	0.0%	GWT	97.7		12

3. Performance of Revenues Services in Wales

Performance of Revenue Service in Wales (1)

This section of the report sets out an analysis of the comparative operational and financial performance of the 22 authorities in Wales that participated in the surveys.

This analysis covers both the CT and NDR functions:-

- Costs;
- Collection rates*;
- Customer Services; and
- Headcount.

The authority names have been anonymised to protect their identity (a key to identify the authorities is available).

The analysis also includes comparisons with the Wales average and England average (where known and if relevant).

The results of these comparisons are set out on the following slides.

* The Welsh Government headline data for the 2011/12 CT collection rates have been used in addition to the 2010/11 collection rates.

<http://wales.gov.uk/topics/statistics/headlines/localgov2012/120613/?lang=en>

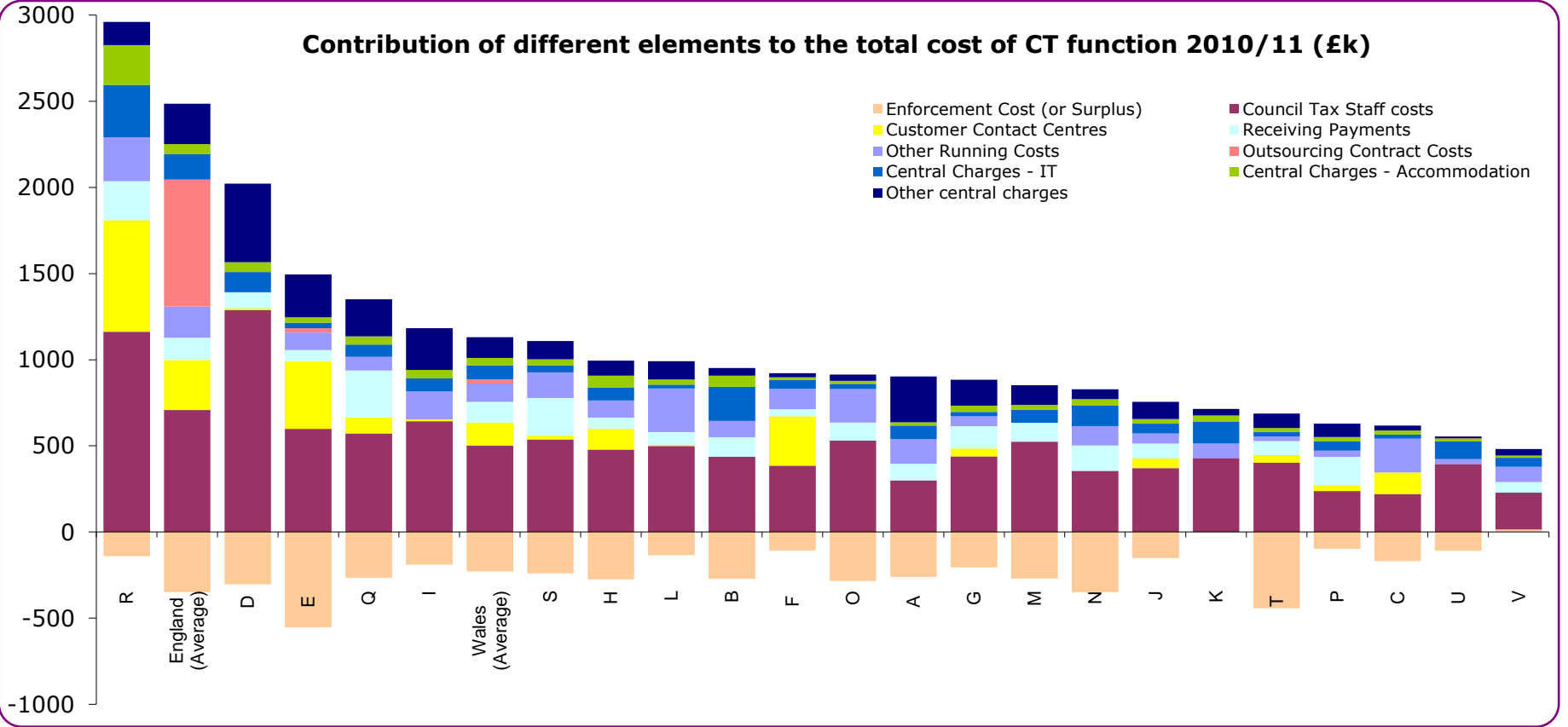
Performance of Revenue Service in Wales (2)

For the analysis of the CT collection performance we have undertaken a number of analyses including:-

- The analysis of the Wales in-year CT Collection performance (comparison of 2010-11 to 2011-12) includes the incorporation of WIMD rankings; this analysis provides an intra-Welsh authority comparative view of collection performance. We have used the data from the CIPFA benchmarking exercise as the basis for this analysis; and
- For the analysis of Wales in-year CT collection performance compared to the average collection performance from English local authorities with equivalent (UK - ONS) Deprivation Index (DI) rankings – we undertook this by ranking the highest to lowest DI ranked local authorities into 22 sub-groups to mirror the Welsh groupings; this analysis provides an analysis of collection performance within a wider 'UK' context.

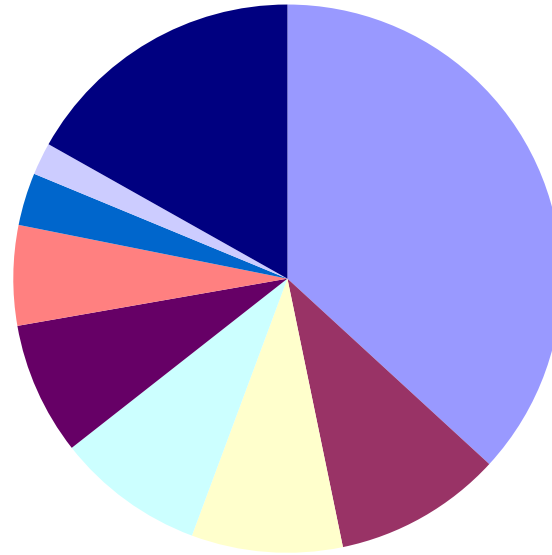
As a result of feedback from the Project Group to the draft report we have also undertaken a subsequent 'off-line' analysis to identify if there is any correlation between the 4 LAs that have implemented Performance Management (PM) systems and exemplar performance (and costs). We have not included this analysis in this report, as the analysis does not identify a direct correlation across all four LAs and exemplar performance (and costs). From our experience elsewhere PM systems also require the adoption of a PM culture throughout the operation(s) to deliver the required outcomes.

Contribution of different elements to the total cost of CT function 2010/11 (£k)



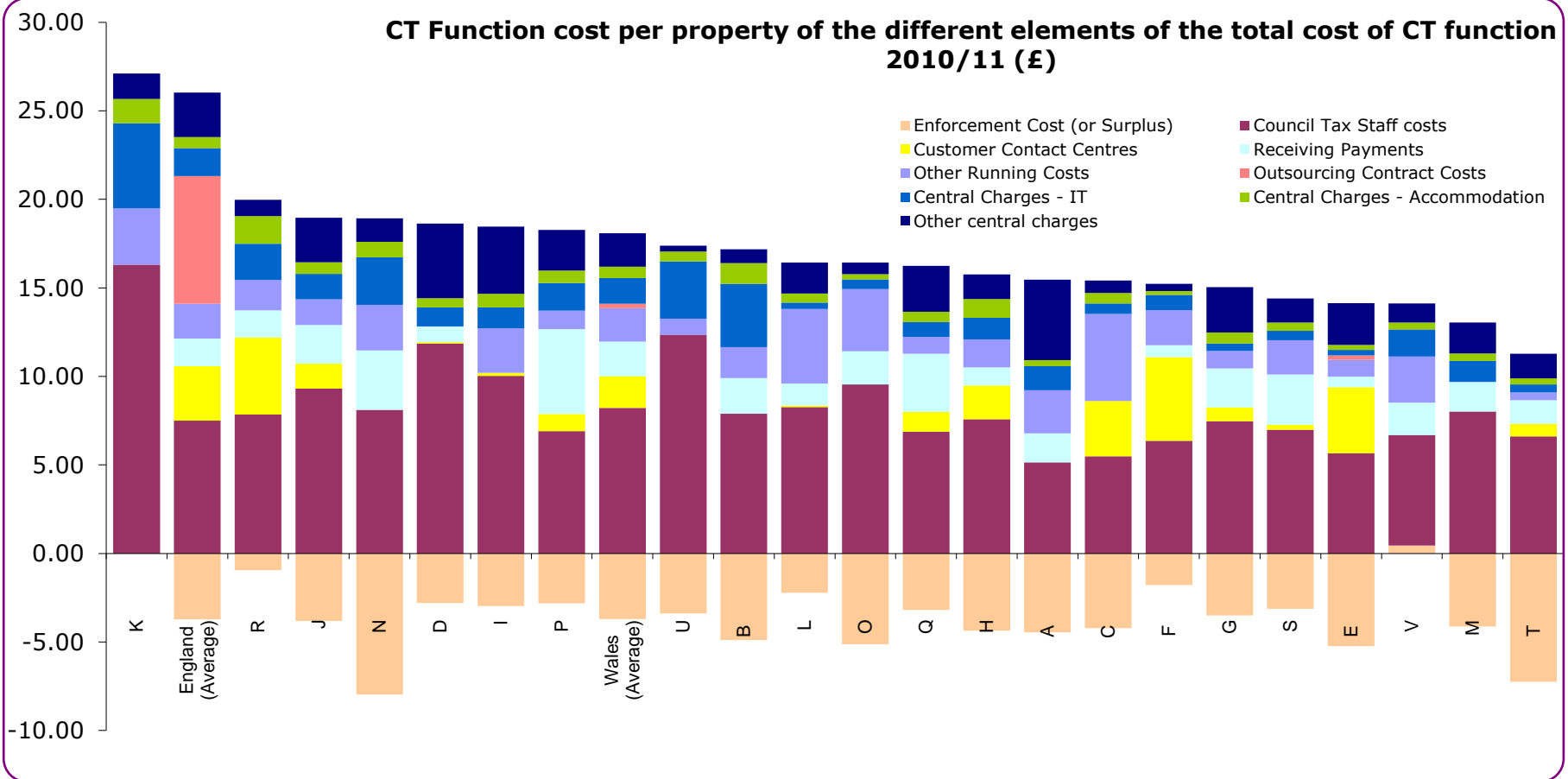
This graph illustrates the breakdown of the different elements of the cost of the CT function for the Wales authorities, together with the Wales and England averages. As would be expected, staff costs are the most significant element of the cost of the CT function for every authority. Wales authorities have minimal costs associated with outsourcing compared to a significant proportion of costs in England. Authority R has the highest total cost (£2,961k) compared to the lowest authority V (£466k).

**Average contribution of different elements to the total cost of CT function
2010/11**

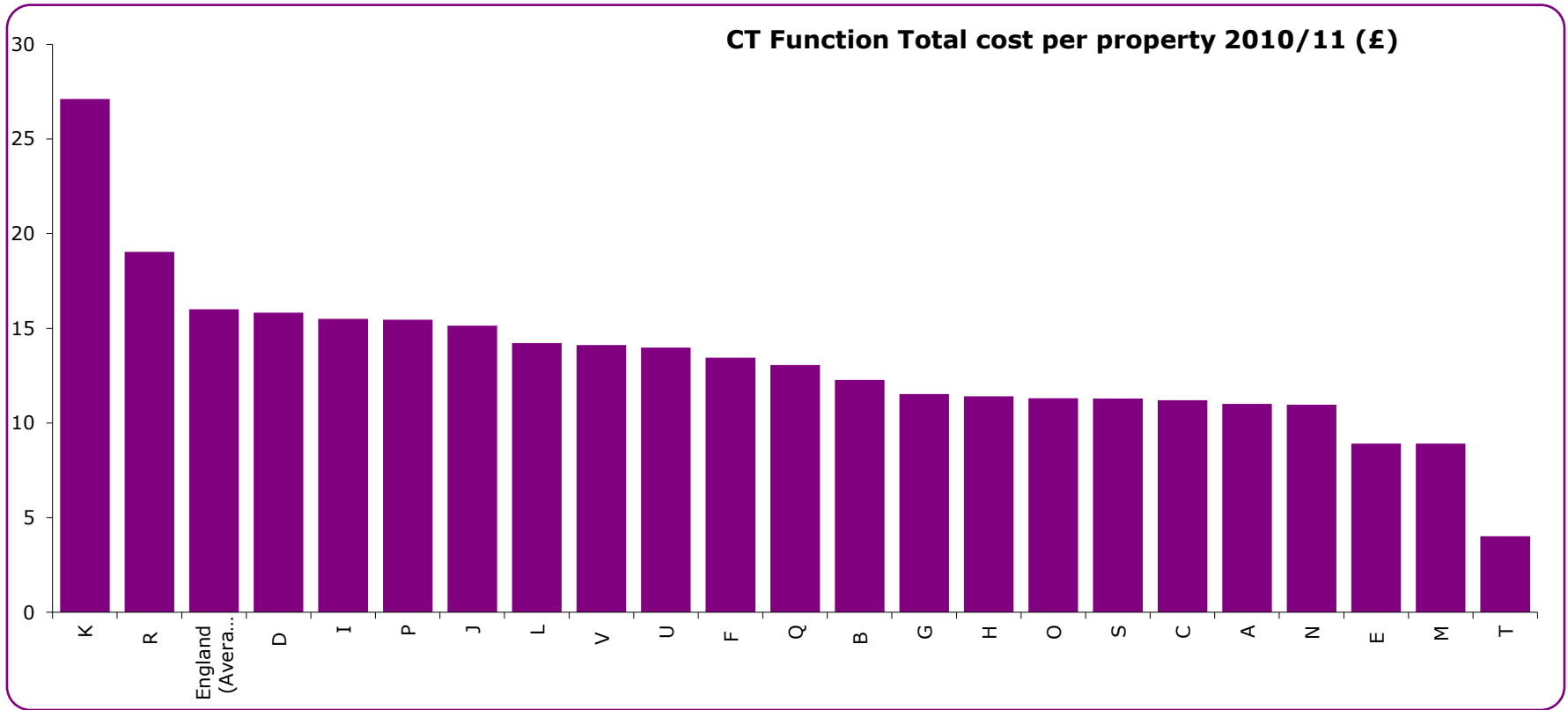


- Council Tax Staff costs
- Customer Contact Centres
- Other central charges
- Receiving Payments
- Other Running Costs
- Central Charges - IT
- Central Charges - Accommodation
- Outsourcing Contract Costs
- Enforcement Cost (or Surplus)

CT staff costs are, as would be expected, the most significant element of the average cost of the CT function.

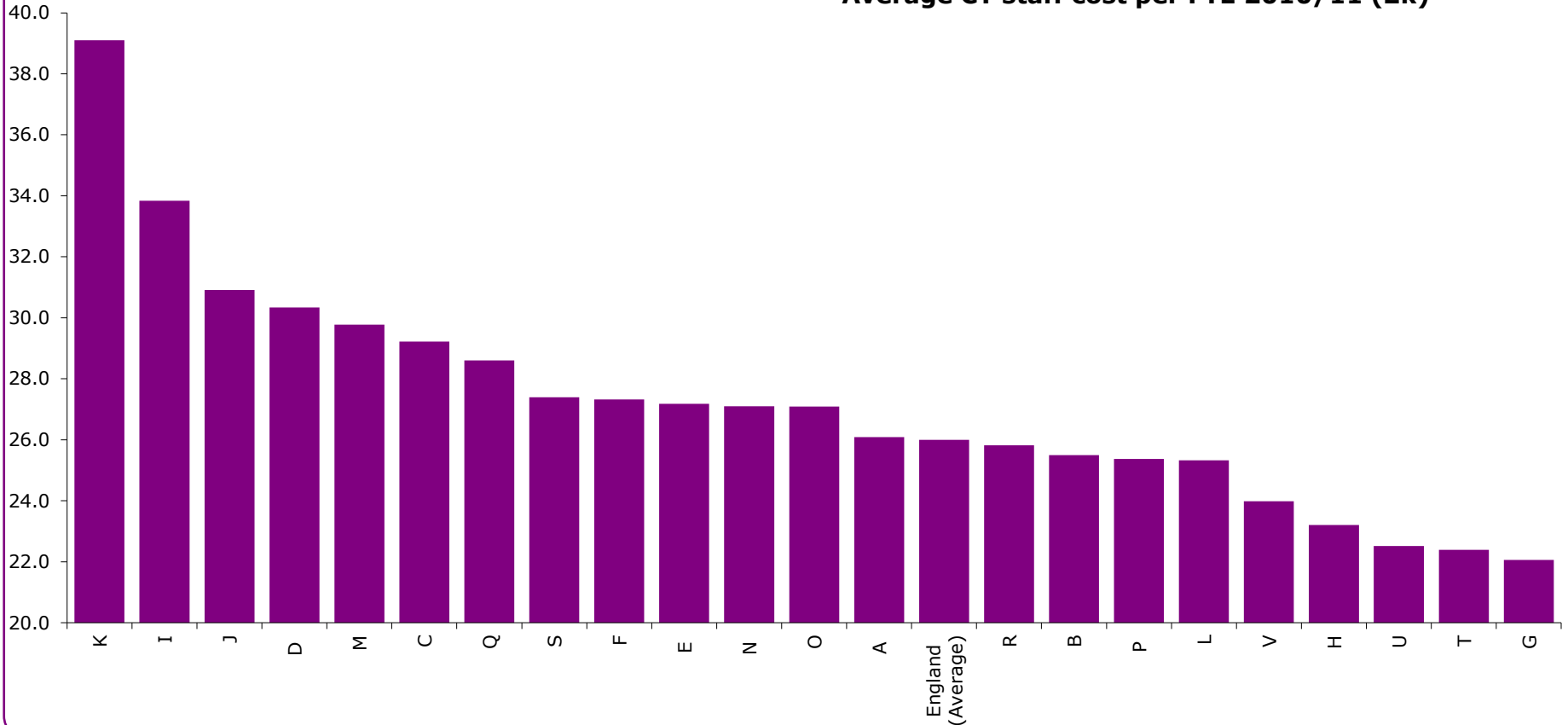


This graph illustrates the breakdown of the different elements of the cost of the CT function per property for the Wales authorities, together with the Wales and England averages.

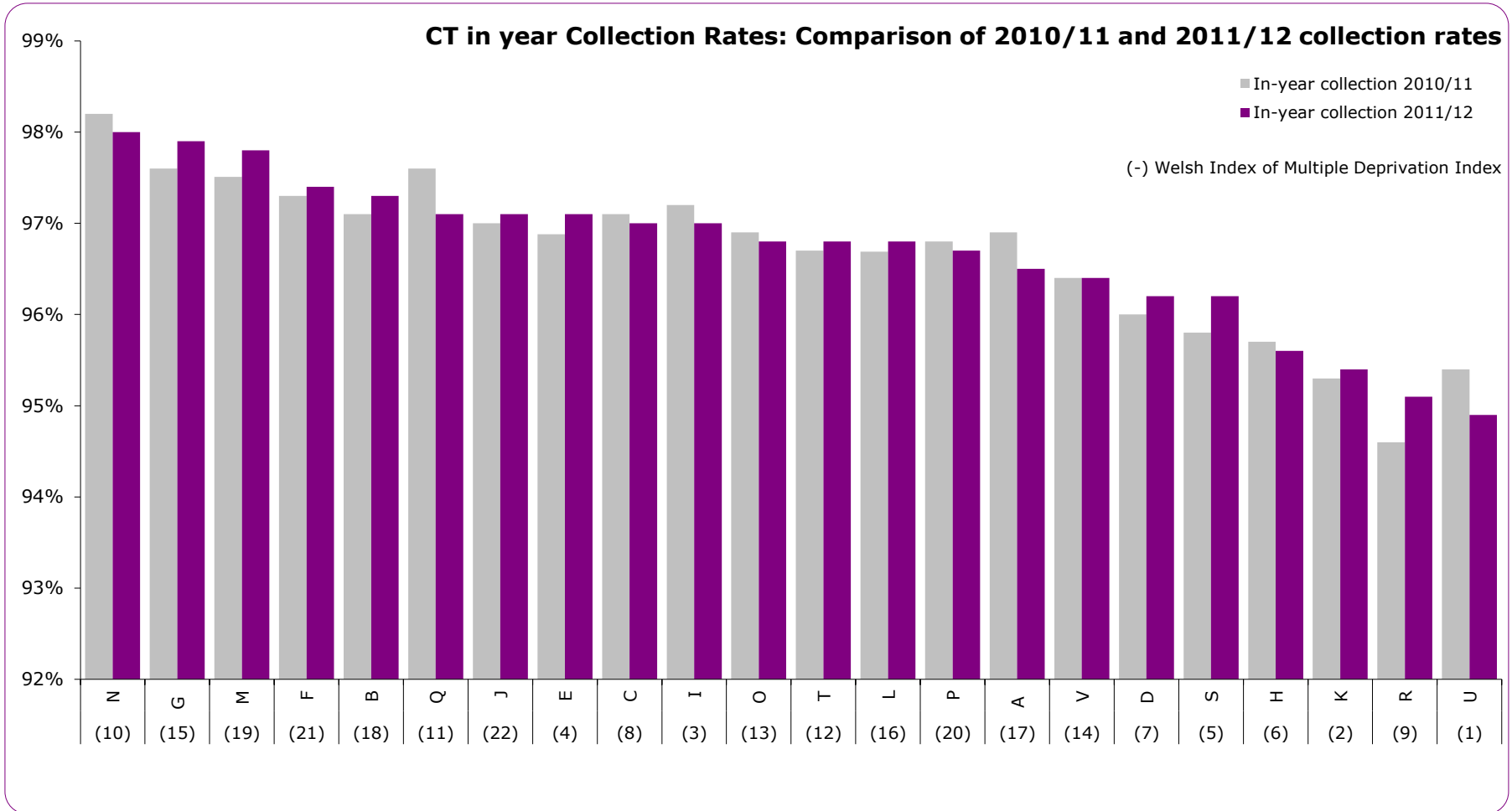


Authority K has the highest CT function cost per property at £27, with authority T being the lowest at £4. Wales authorities compare favourably with the England average of £16 per property.

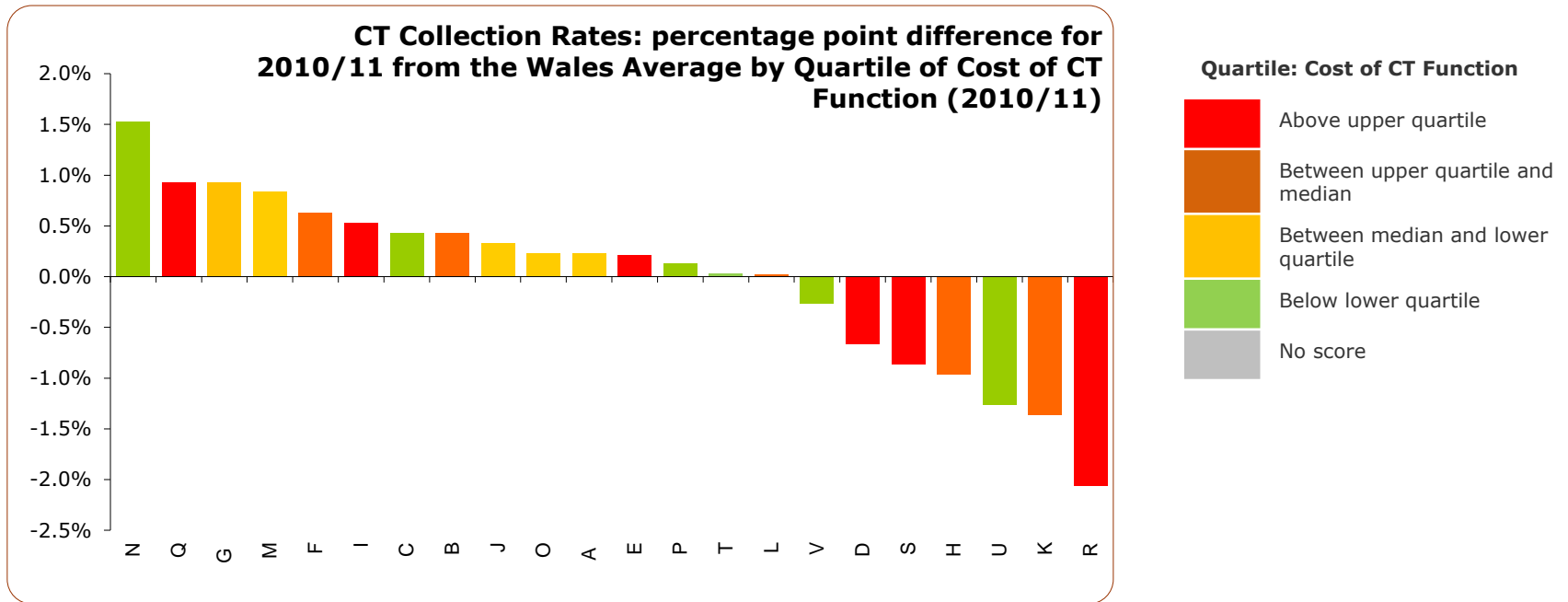
Average CT staff cost per FTE 2010/11 (£k)



Authority K has the highest CT staff cost per FTE at £39.1k, with authority G being the lowest at £22.1k. Thirteen out of the twenty two Wales authorities have a higher cost than the England average of £26k.



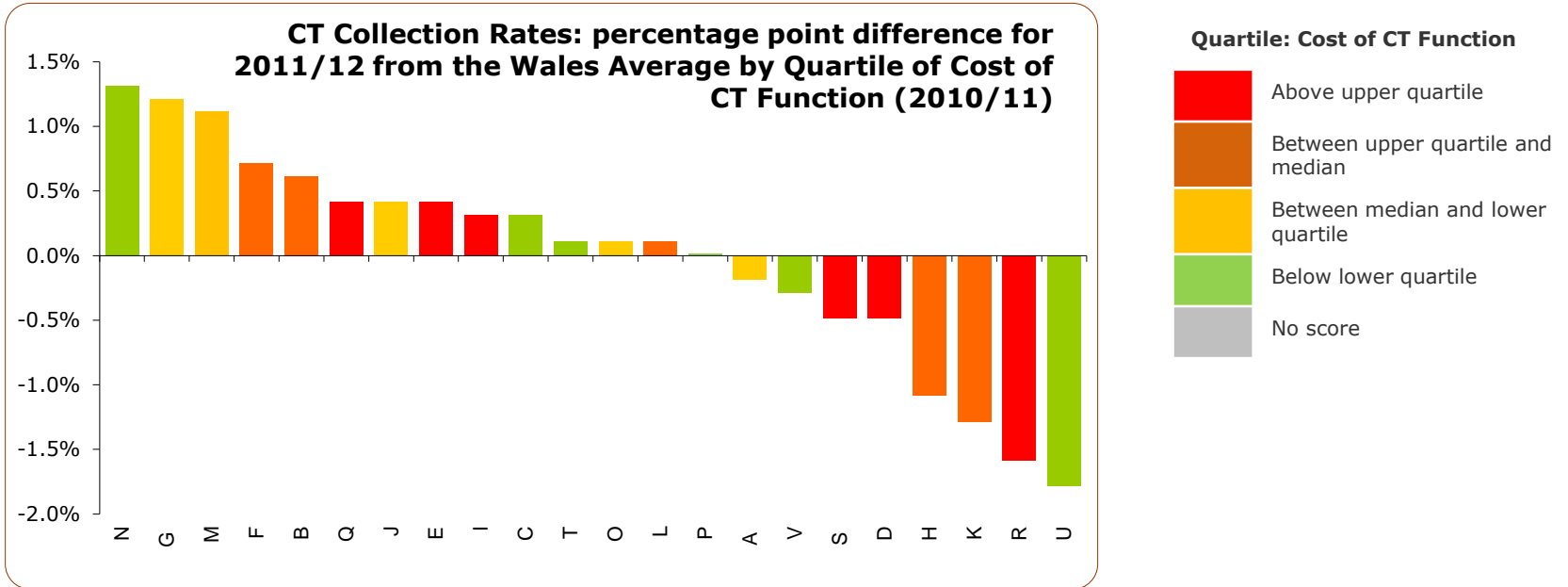
This analysis indicates amongst other things that some authorities such as authority E and authority I despite having relatively high levels of deprivation are able to achieve good collection performance



There is some indication that those authorities who have a higher in year collection rate compared to the Wales average have a lower CT function cost.

Authority N has the highest in year collection rate with authority R the lowest.

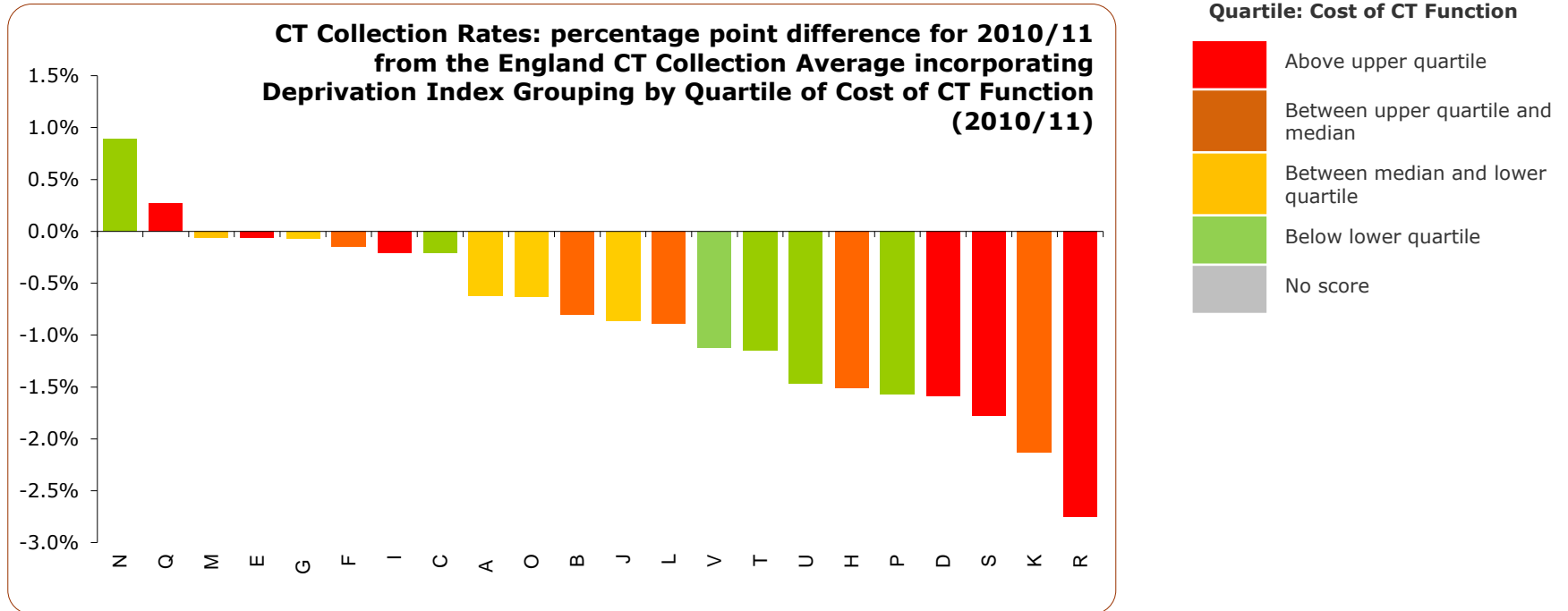
This analysis appears to suggest that an authority can have both lower costs of collection and good collection performance.



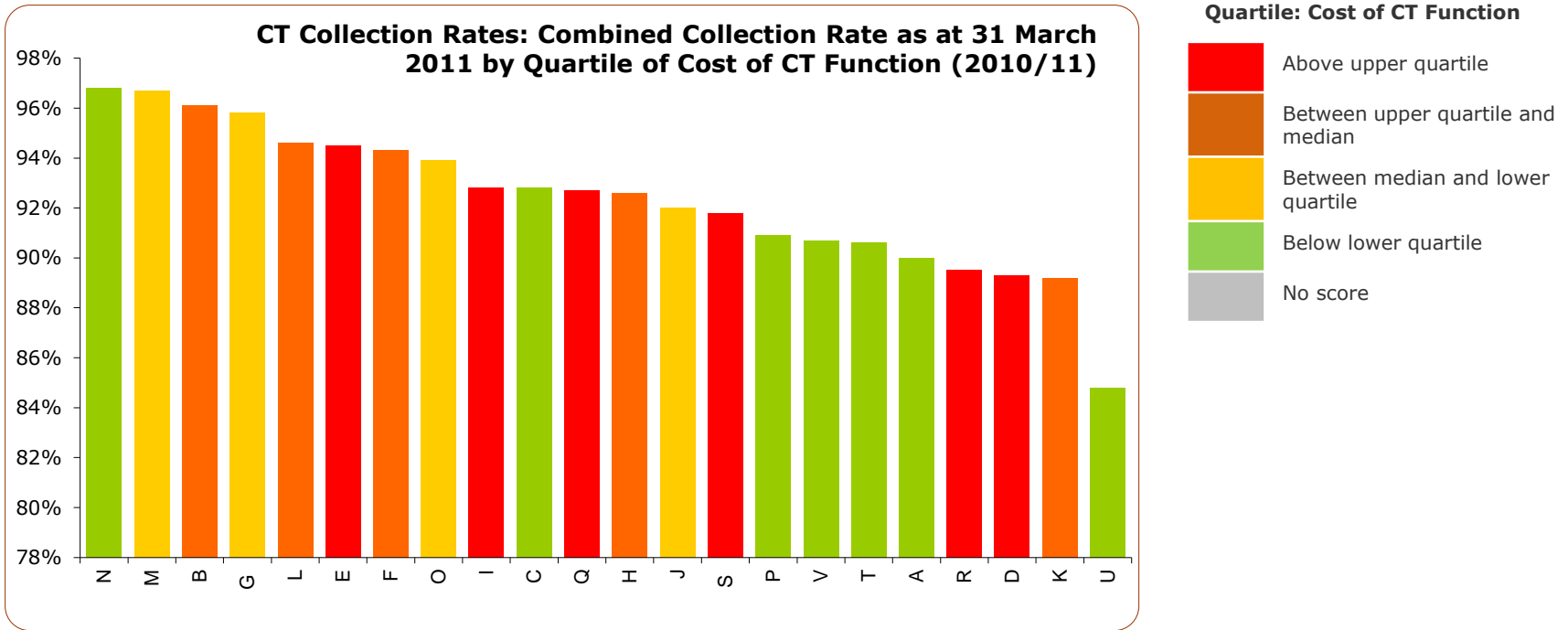
There is some indication (in line with the previous graph) that those authorities who have a higher in year collection rate compared to the Wales average have a lower CT function cost.

Authority N has the highest in year collection rate (as in 2010/11), with authority U the lowest (although this authority has a low CT function cost).

This analysis appears to suggest that an authority can have both lower costs of collection and good collection performance.

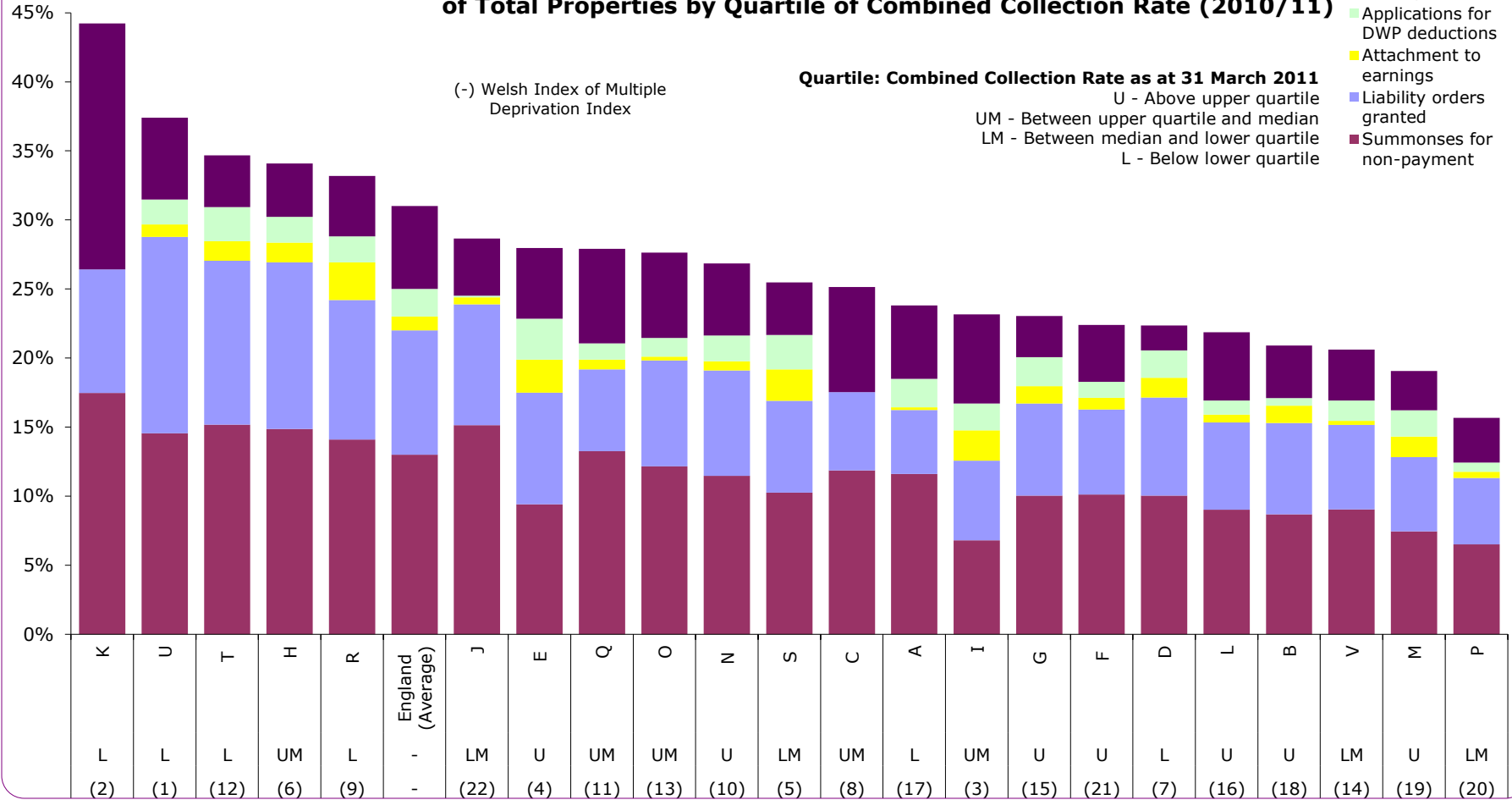


When the Wales in year collection rates are compared with their 'Deprivation Index' equivalent peer groups average collection performance in England, with the exception of authority N and authority Q the Wales authorities have a lower in year collection rate.



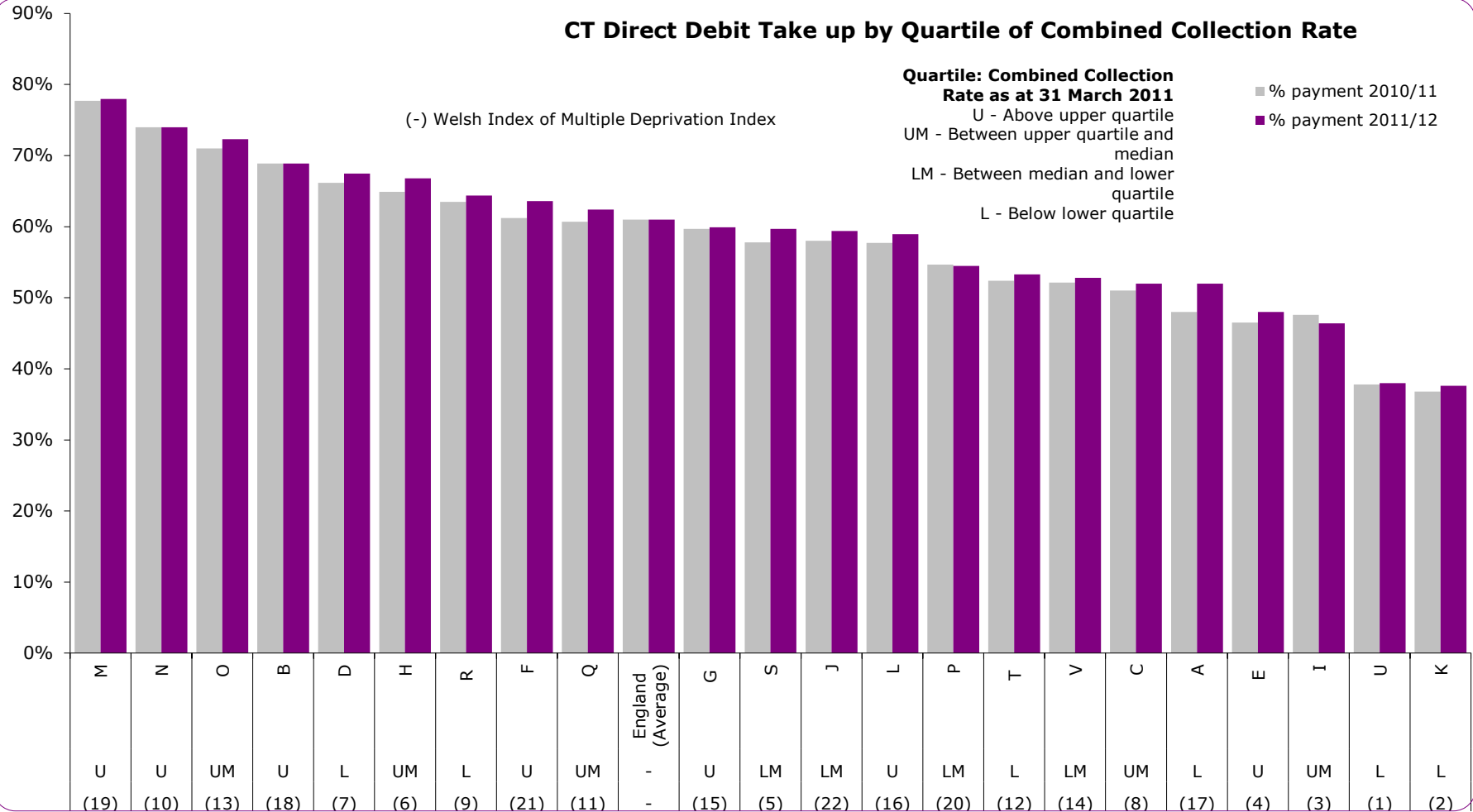
Authority N as the highest combined (current + previous years) collection rate with authority U the lowest. It is interesting to note that there is no obvious link between the combined collection rate performance and the cost of the CT function, which is in contrast to the in year collection (see previous slides).

CT Enforcement Activities in 2010/11 (up to & including Baliff Referral Stage) as a percentage of Total Properties by Quartile of Combined Collection Rate (2010/11)

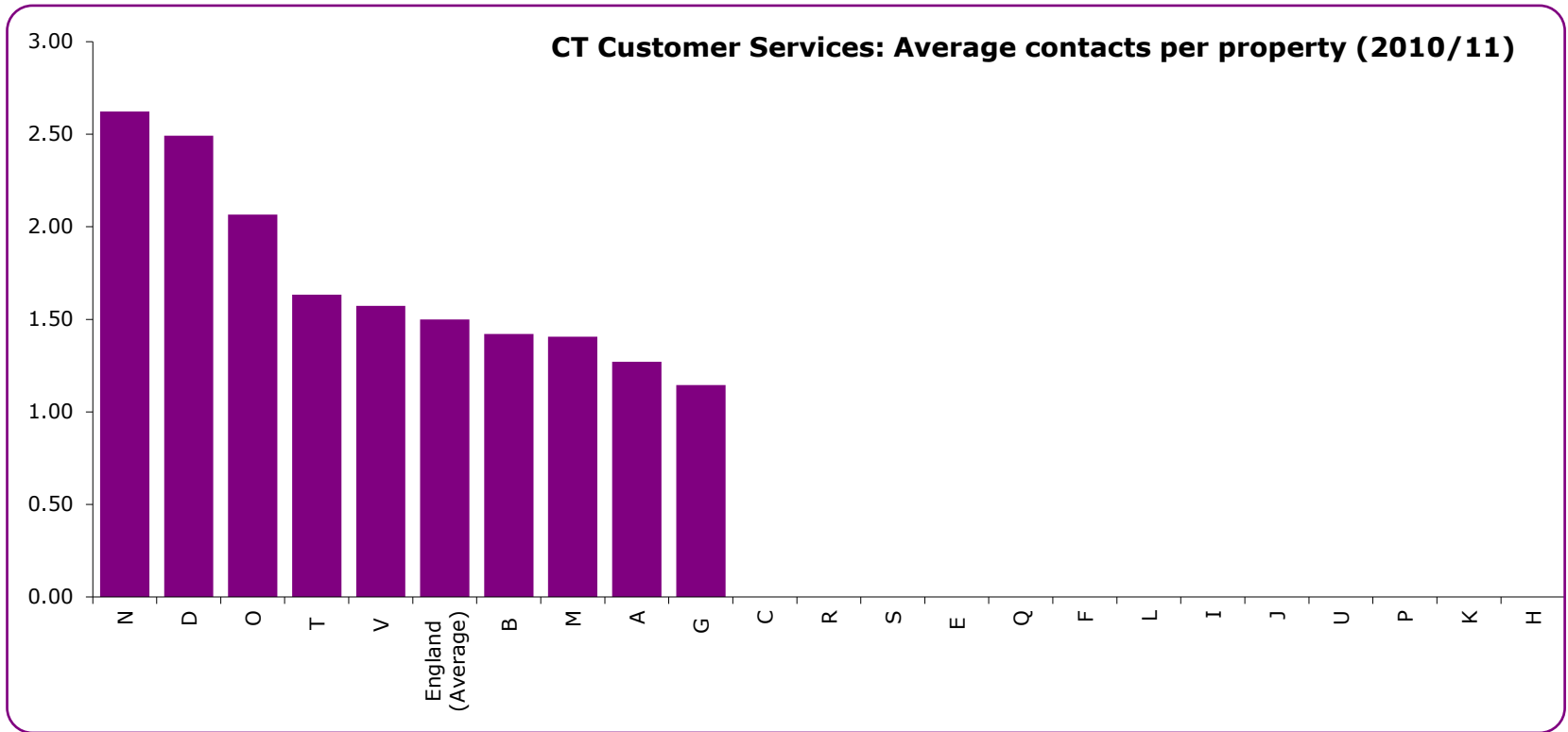


The is little evidence of a link between the enforcement activities and the combined collection rate. This may confirm our experience from other revenues services reviews where more detailed analyses have indicated that recovery is as much an art as a science.

CT Direct Debit Take up by Quartile of Combined Collection Rate



For the majority of authorities the percentage of payments by direct debit has increased in 2011-12. Payments by direct debit compare favourably with the England average (61%), with authority M being the highest at 78%. Authority D appears to be achieving higher levels of DD take-up than any deprivation index (7th worst) factors may have suggested.

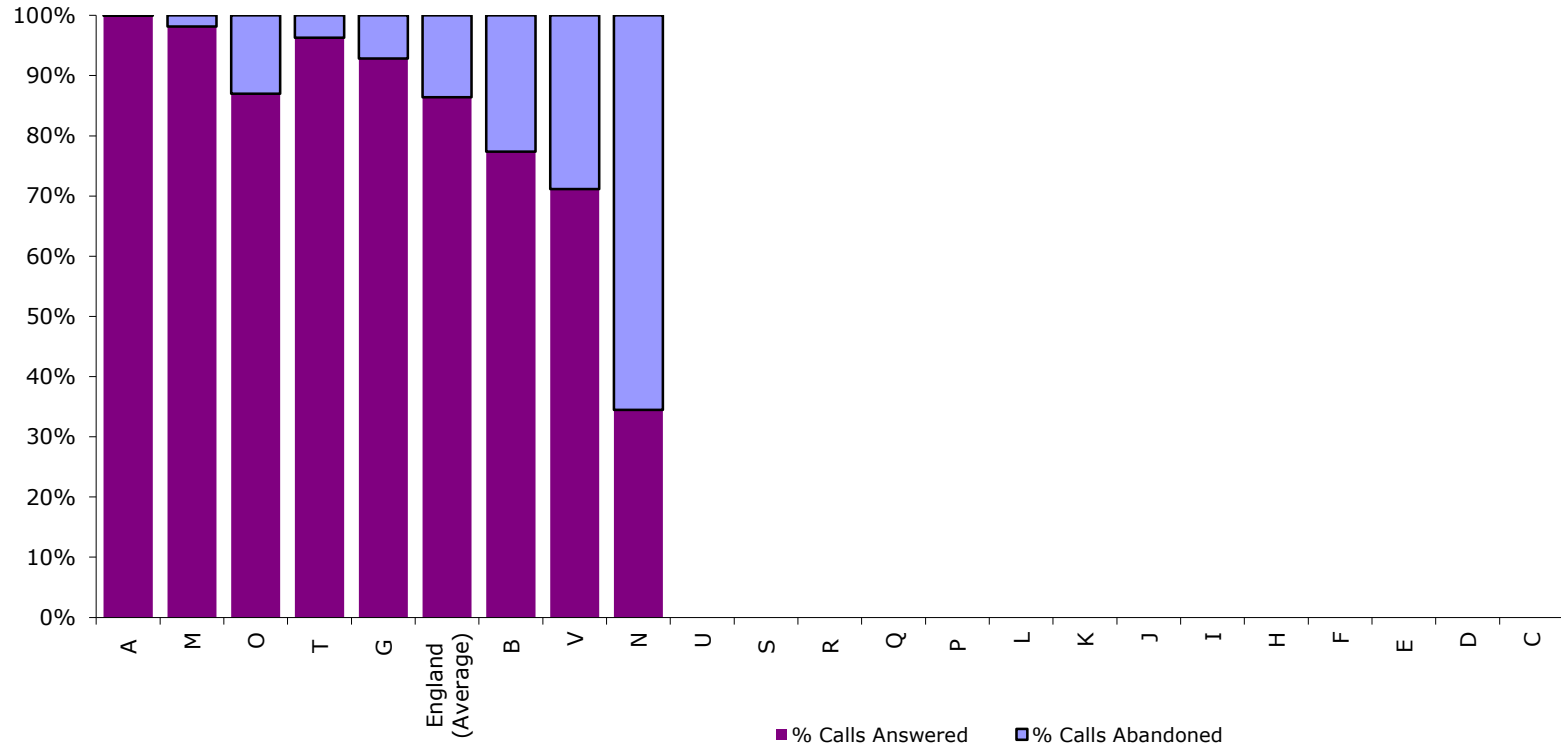


Average contacts per property (where there is a full set of data for each of the channels) vary between 1.15 at authority G to 2.62 at authority N.

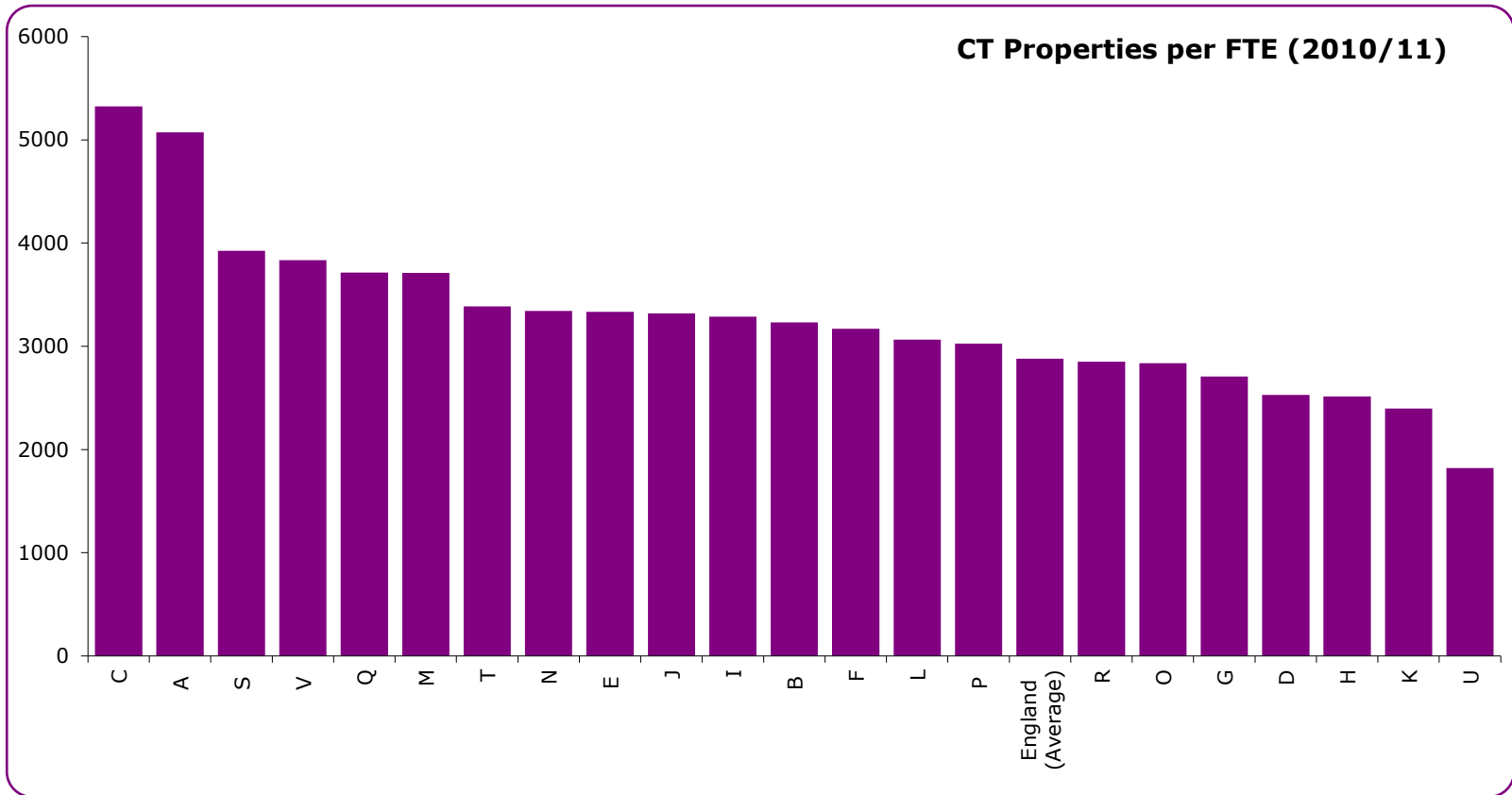
The analysis of the English CIPFA benchmarking equivalent data shows an average of 1.5 contacts per property with a high of 8 contacts per property.

Whilst there has been no detailed analysis of any link with these Welsh authorities, high levels of customer contact can indicate failure demand and avoidable contacts in the operational system.

CT Customer Services: percentage of calls answered or abandoned (2010/11)

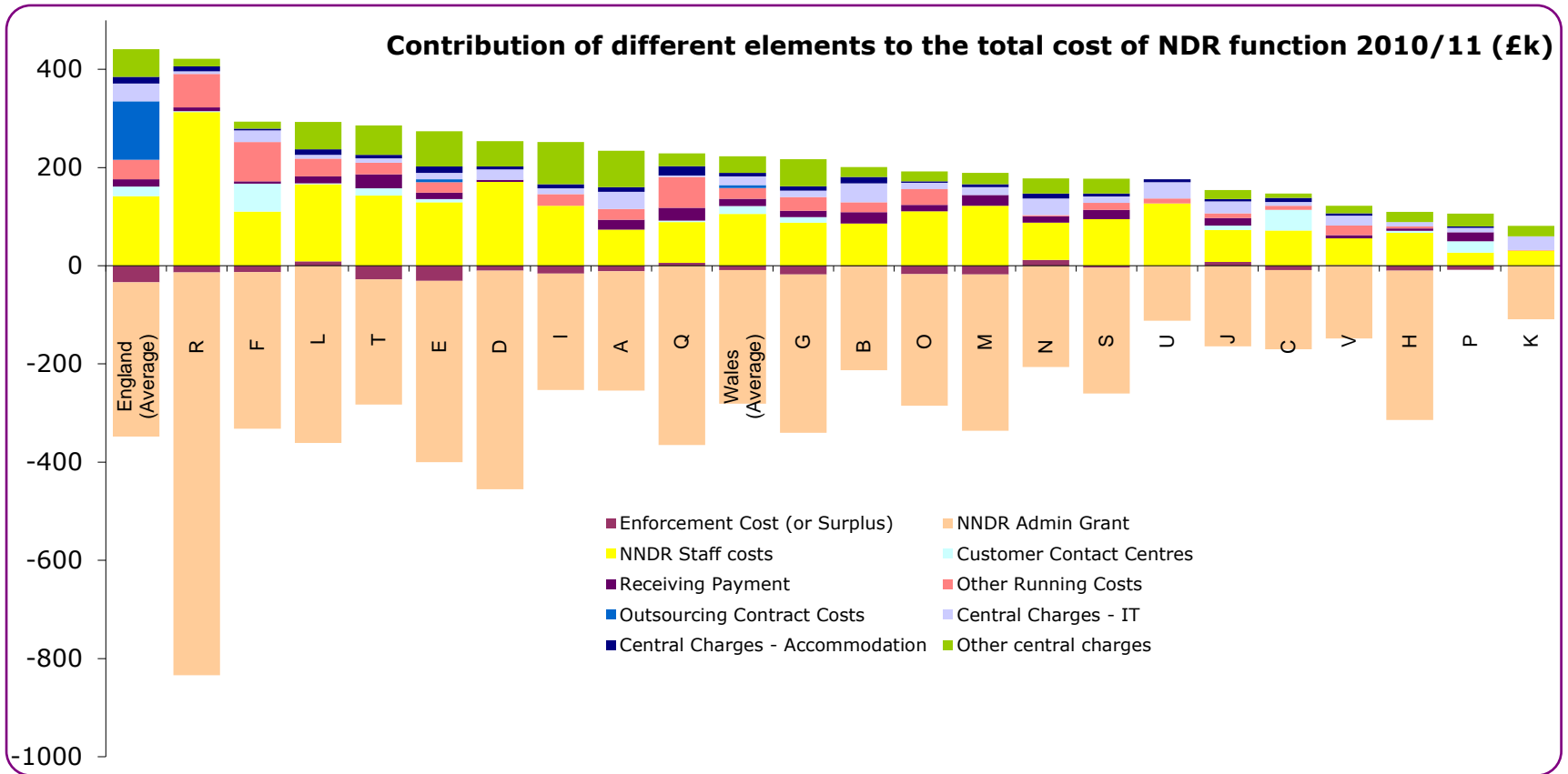


Calls offered & %age of calls answered – this varies between almost 100% calls answered at authority A to 34% calls answered authority N. This latter figure appears surprising in view of authority A’s exceptionally high CT performance i.e. top overall for 2010/11 combined current & previous year collection, and 2010-11 & 2011-12 in year collection; we would normally expect the high call abandon rates to adversely affect the billing, collection and recovery outcomes of the service.



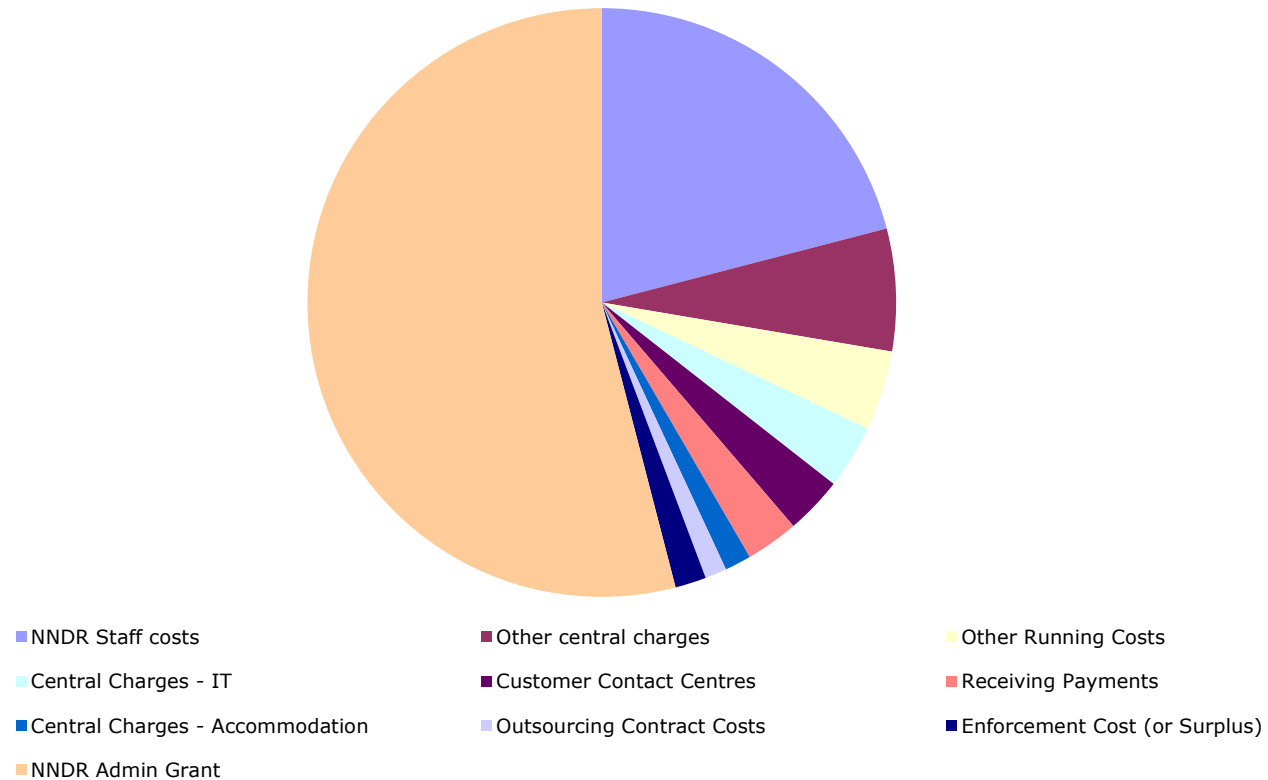
A recognised measure of efficiency of the CT function is CT properties per FTE. Authority A is the highest (5,324) with authority U the lowest (1,822). The majority of Wales authorities compare favourably to the England average of 2,979 properties per FTE.

In section 8 of this report these measures have been compared against the 'Barony' and 'Greater Manchester' benchmarks to quantify potential staff savings.



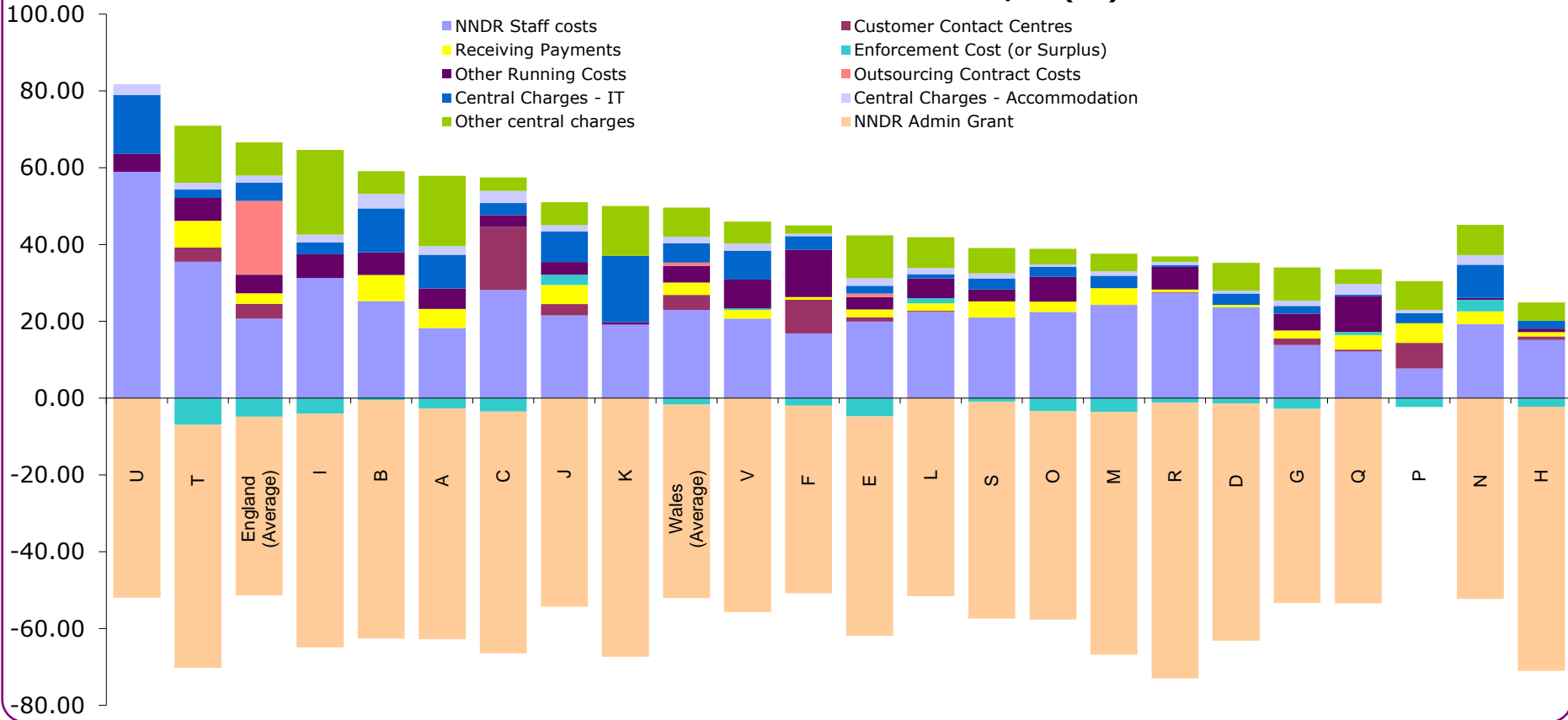
This graph illustrates the breakdown of the different elements of the cost of the NDR function (including NDR admin grant) for the Wales authorities, together with the Wales and England averages. As would be expected, (with the exception of NDR admin grant) staff costs are the most significant element of the cost of the NDR function for every authority. Wales authorities have minimal costs associated with outsourcing compared to a significant proportion of costs in England. Authority R has the highest gross total cost (£407.8k) compared to the lowest authority K (£81k).

**Average contribution of different elements to the total cost of NDR function
2010/11**



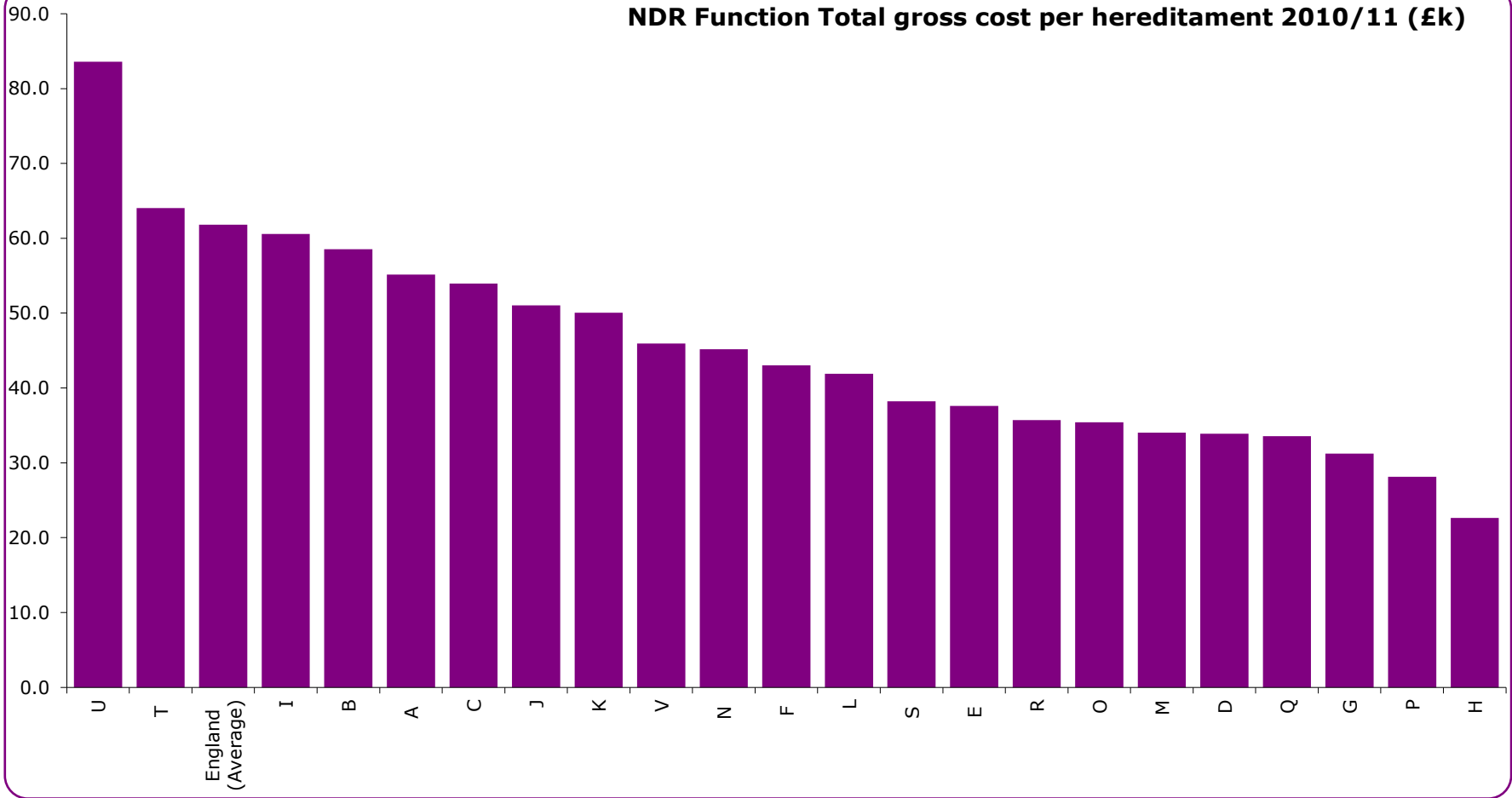
NDR admin grant is the most significant 'cost' element of the NDR function. NDR staff costs are, as would be expected, the most significant element of the average gross cost of the NDR function.

NDR Function cost per hereditament of the different elements of the total net cost of NDR function 2010/11 (£k)

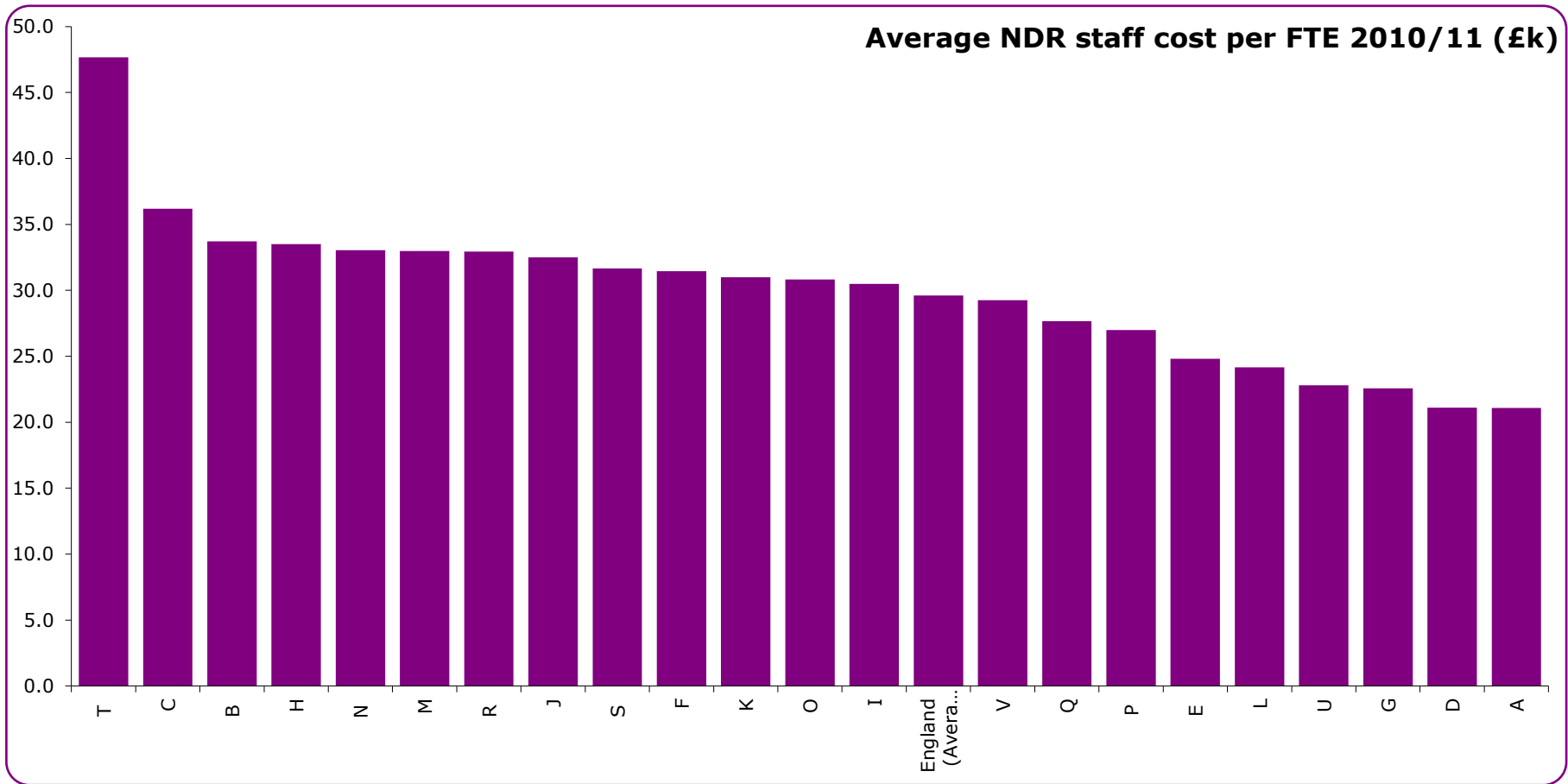


This graph illustrates the breakdown of the different elements of the cost of the NDR function per hereditament for the Wales authorities, together with the Wales and England averages.

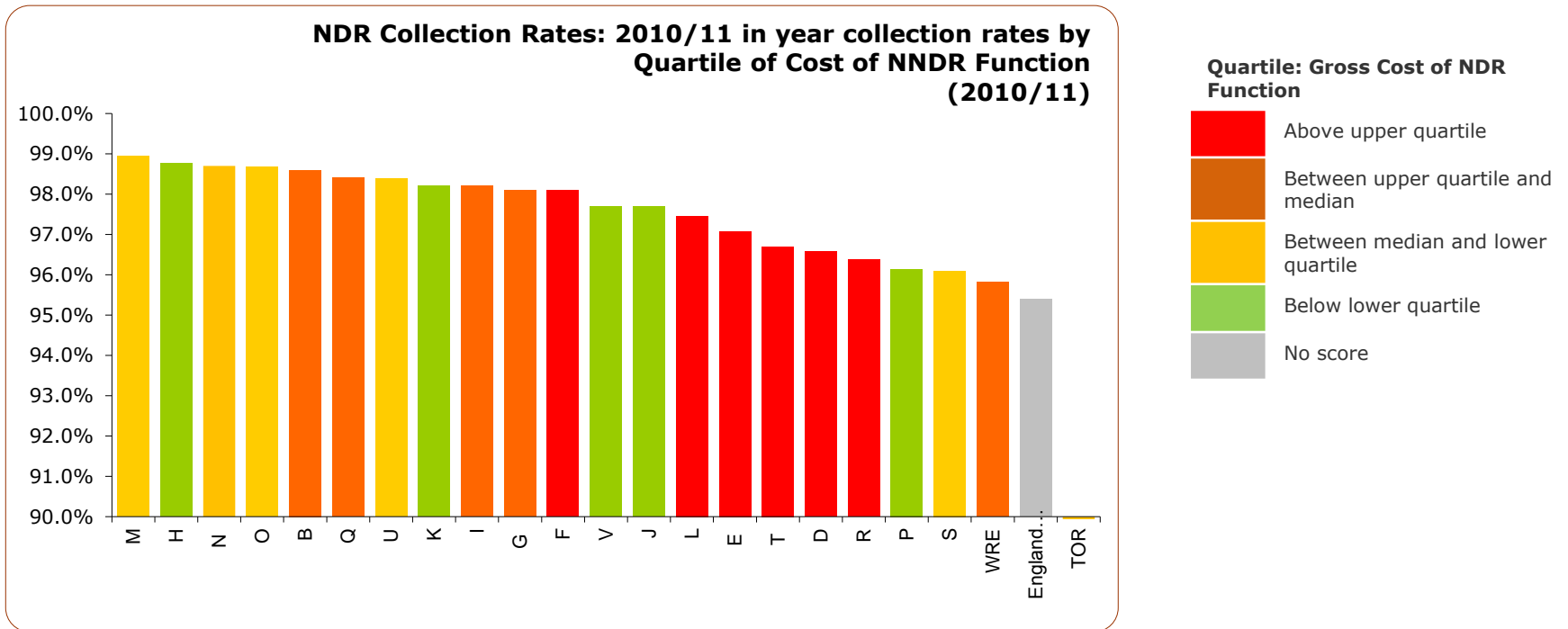
NDR Function Total gross cost per hereditament 2010/11 (£k)



Authority U has the highest NDR function gross cost per hereditament at £83.6, with authority H being the lowest at £22.6. Wales authorities compare favourably with the England average of £61.8 per hereditament.



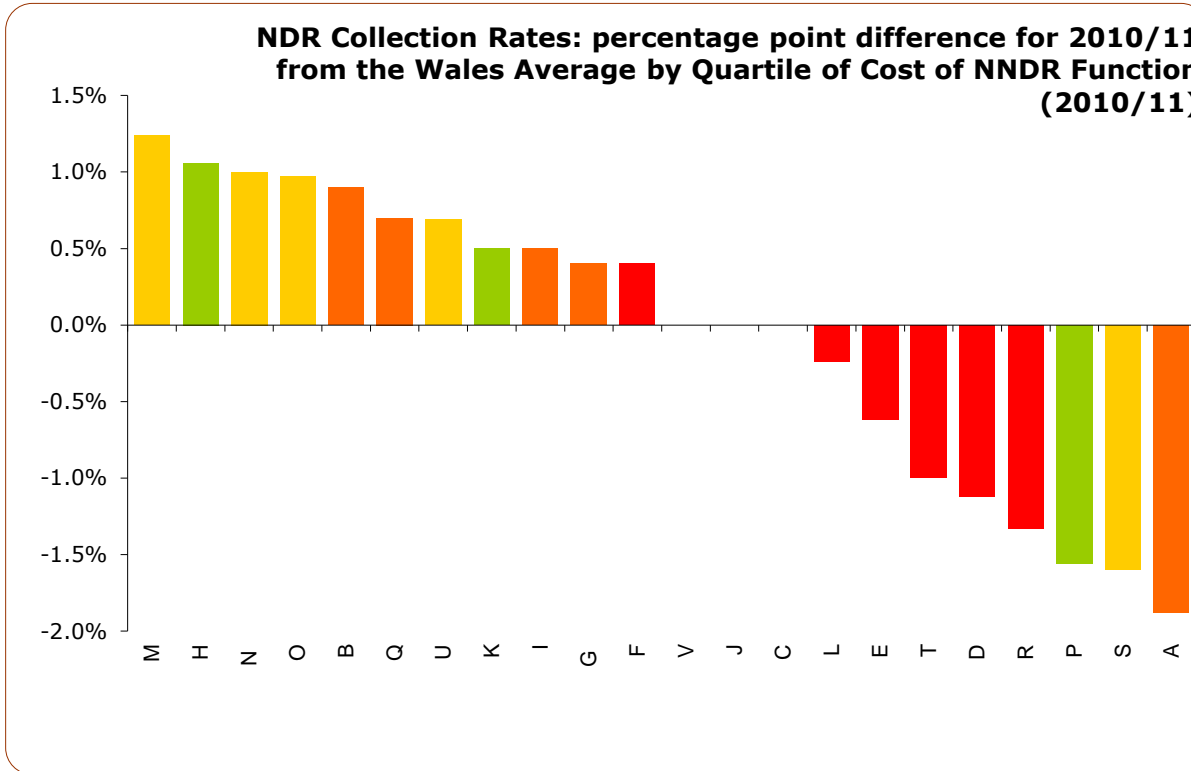
Authority T has the highest NDR staff cost per FTE at £47.7k, with authority A being the lowest at £21.1k. Thirteen out of the twenty two Wales authorities have a higher cost than the England average of £29.6k.



The comparison of NDR collection rates is an indication of the efficiency and quality of the NDR function. However, other factors do have a bearing on the collection rate for example the deprivation of the area, and systems/ processes/ practices used.

There is some indication in the graph above that those authorities who have a high in year collection rate have a low NDR function cost.

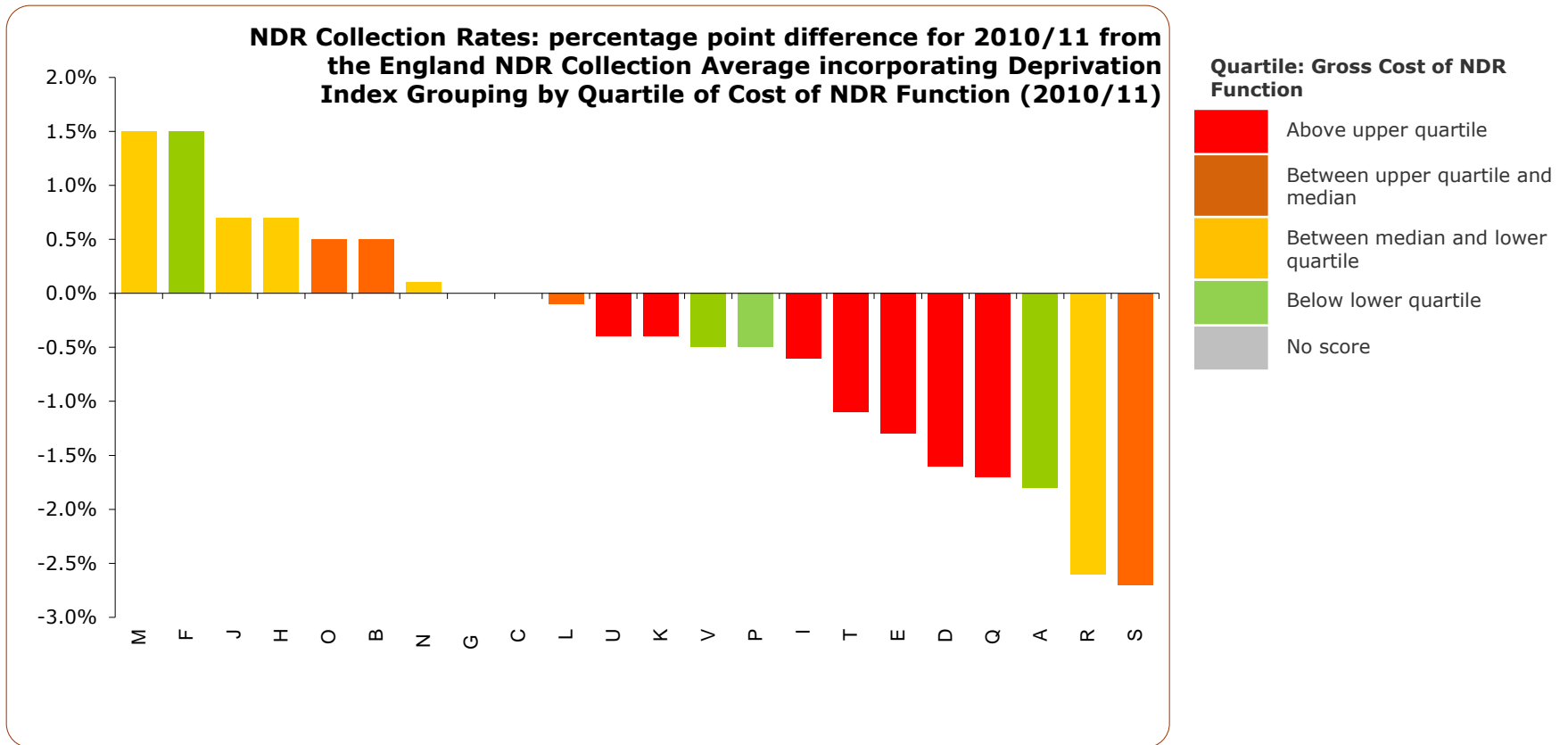
This analysis appears to suggest that an authority can have both lower costs of collection and good collection performance.



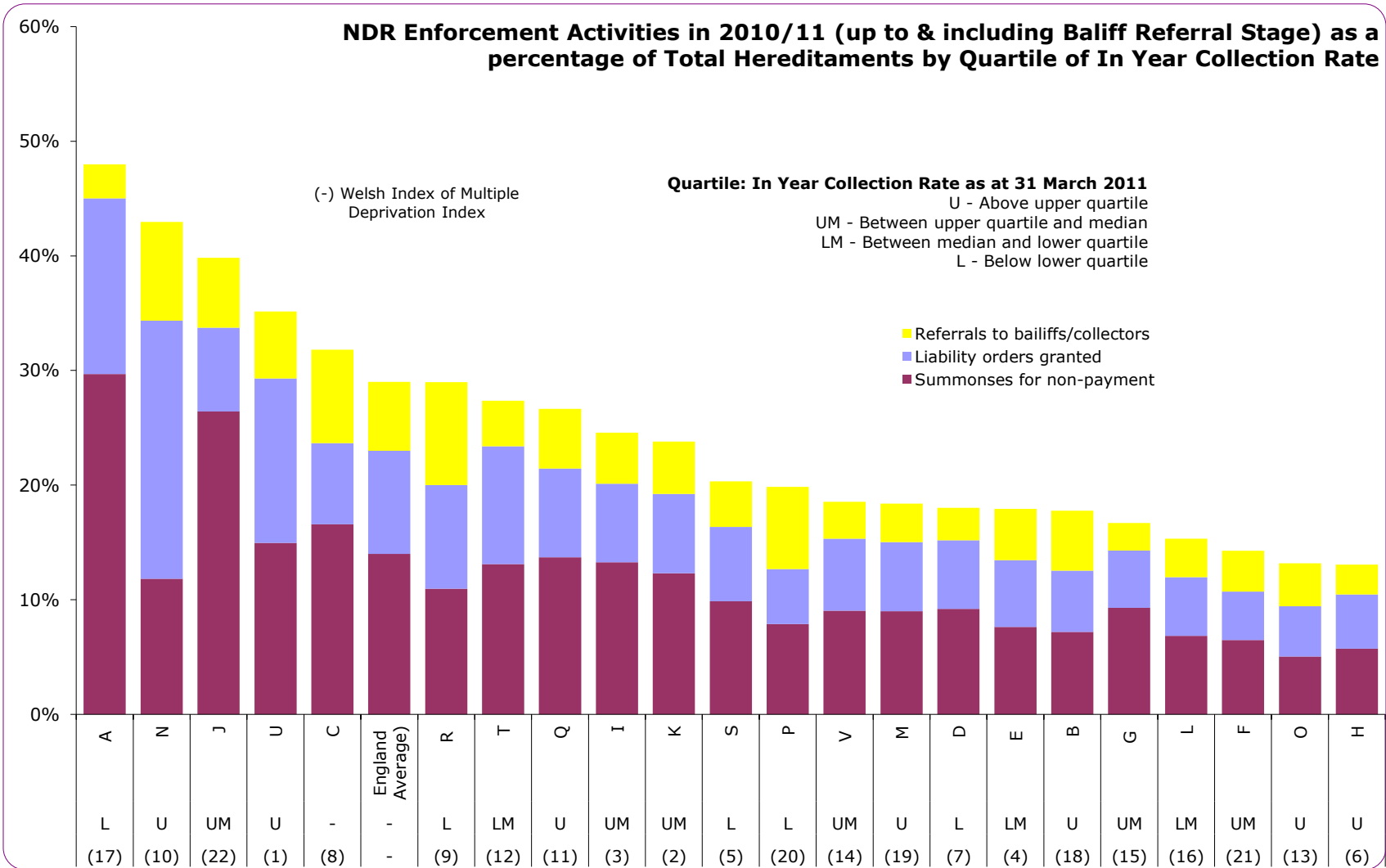
There is some indication (in line with the previous graph) that those authorities who have a higher in year collection rate compared to the Wales average have a lower NDR function cost.

Flintshire has the highest in year collection rate with Wrexham the lowest.

This analysis appears to suggest that an authority can have both lower costs of collection and good collection performance.

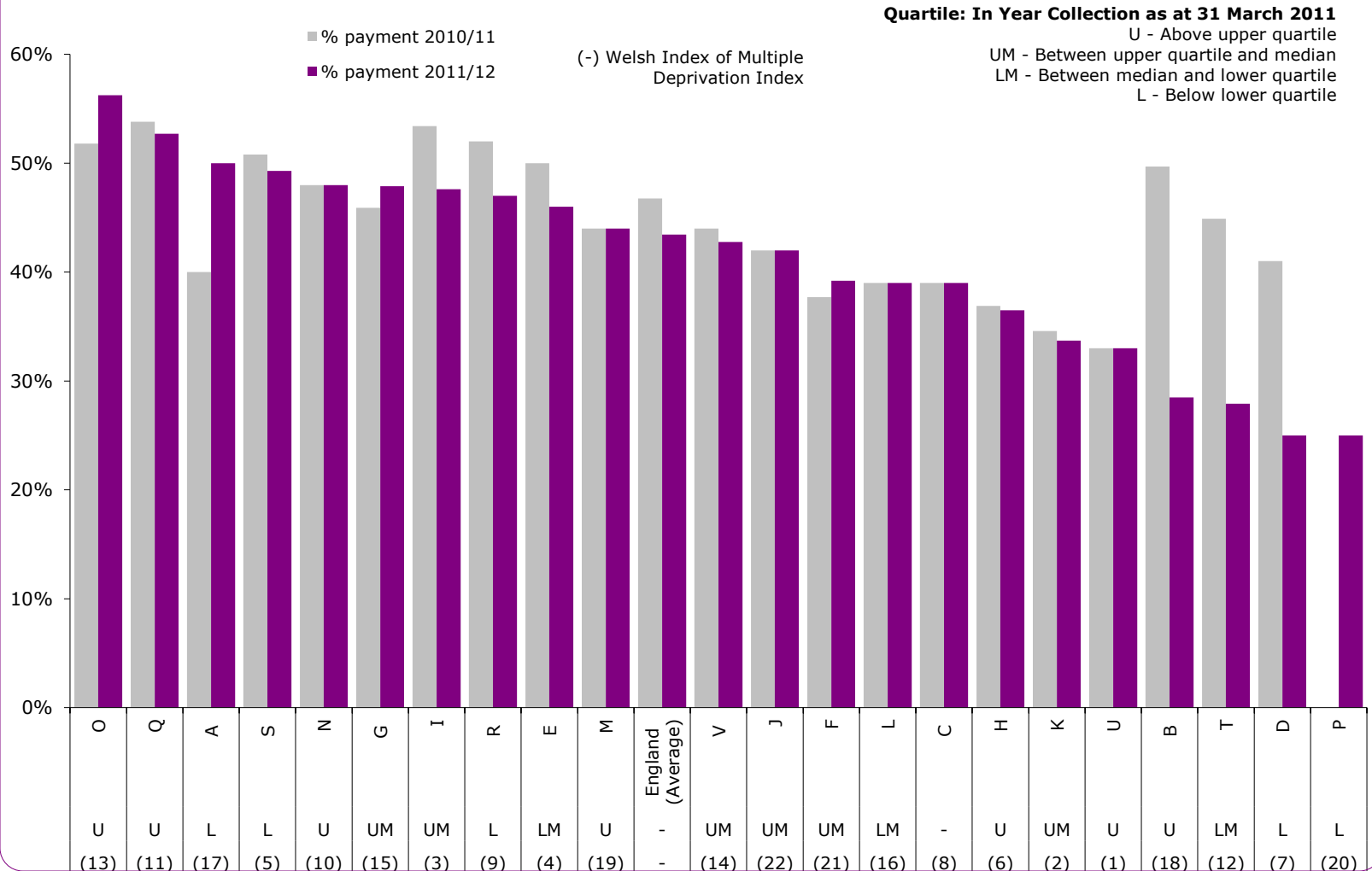


When the Wales in year collection rates are compared with their 'Deprivation Index' equivalent peer groups average collection performance in England, thirteen of the twenty two Wales authorities have a lower in year collection rate.

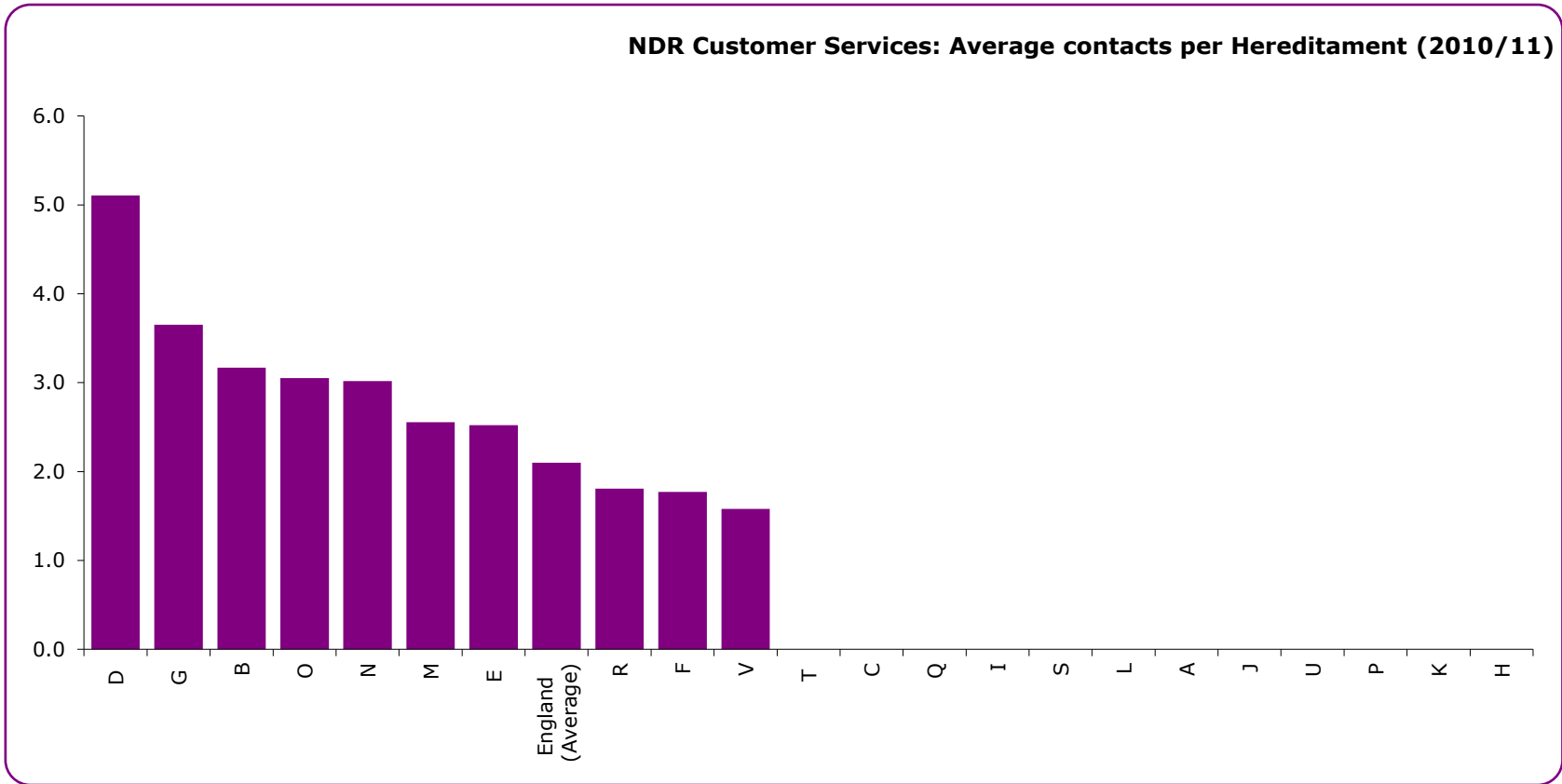


It appears that this analysis is reflecting the differing degrees of payer resistance that is being encountered by the different NDR services in collecting & recovering NDR in their area.

NDR Direct Debit Take up by Quartile of In Year Collection Rate



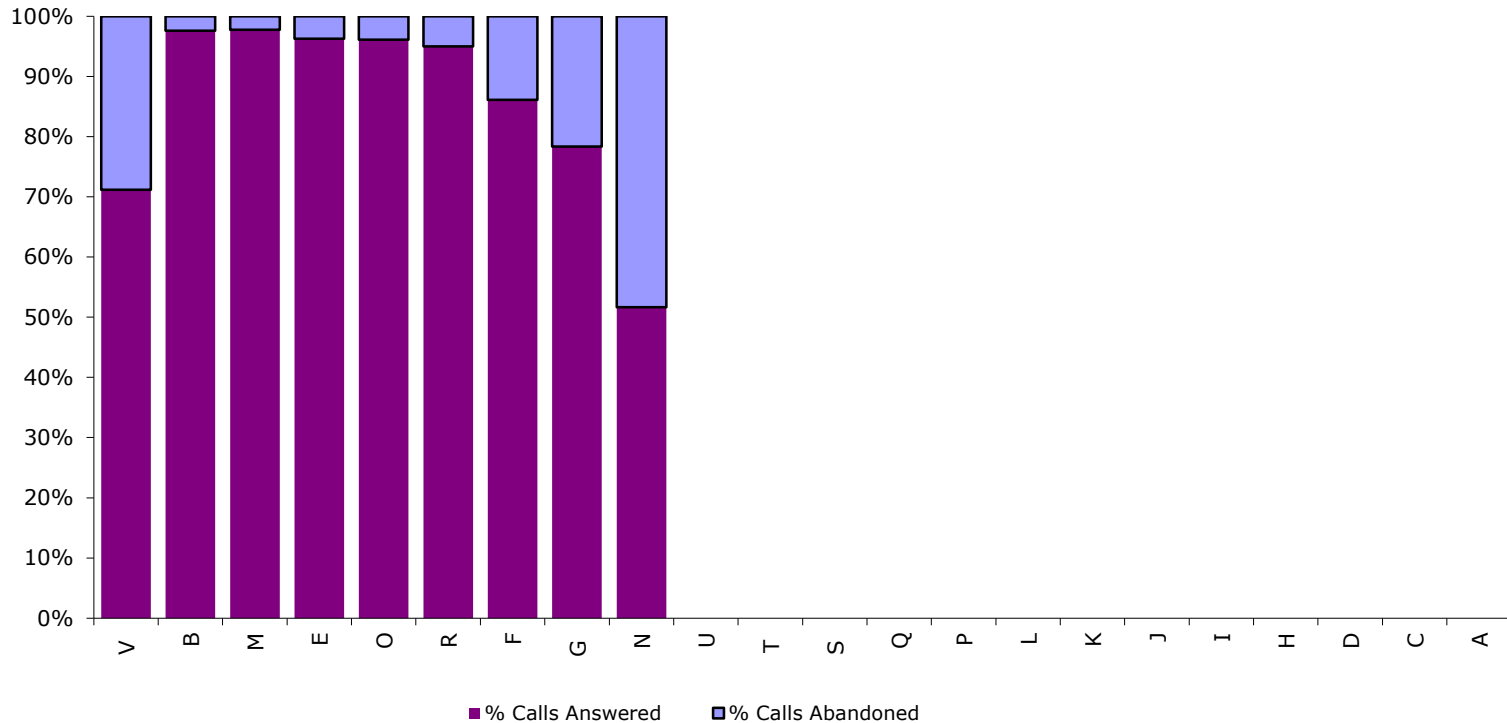
In some cases the payments by direct debit has decreased in 2011/12. Ten authority's payments by direct debit compare favourably with the England average (43%), with authority O being the highest at 56%.



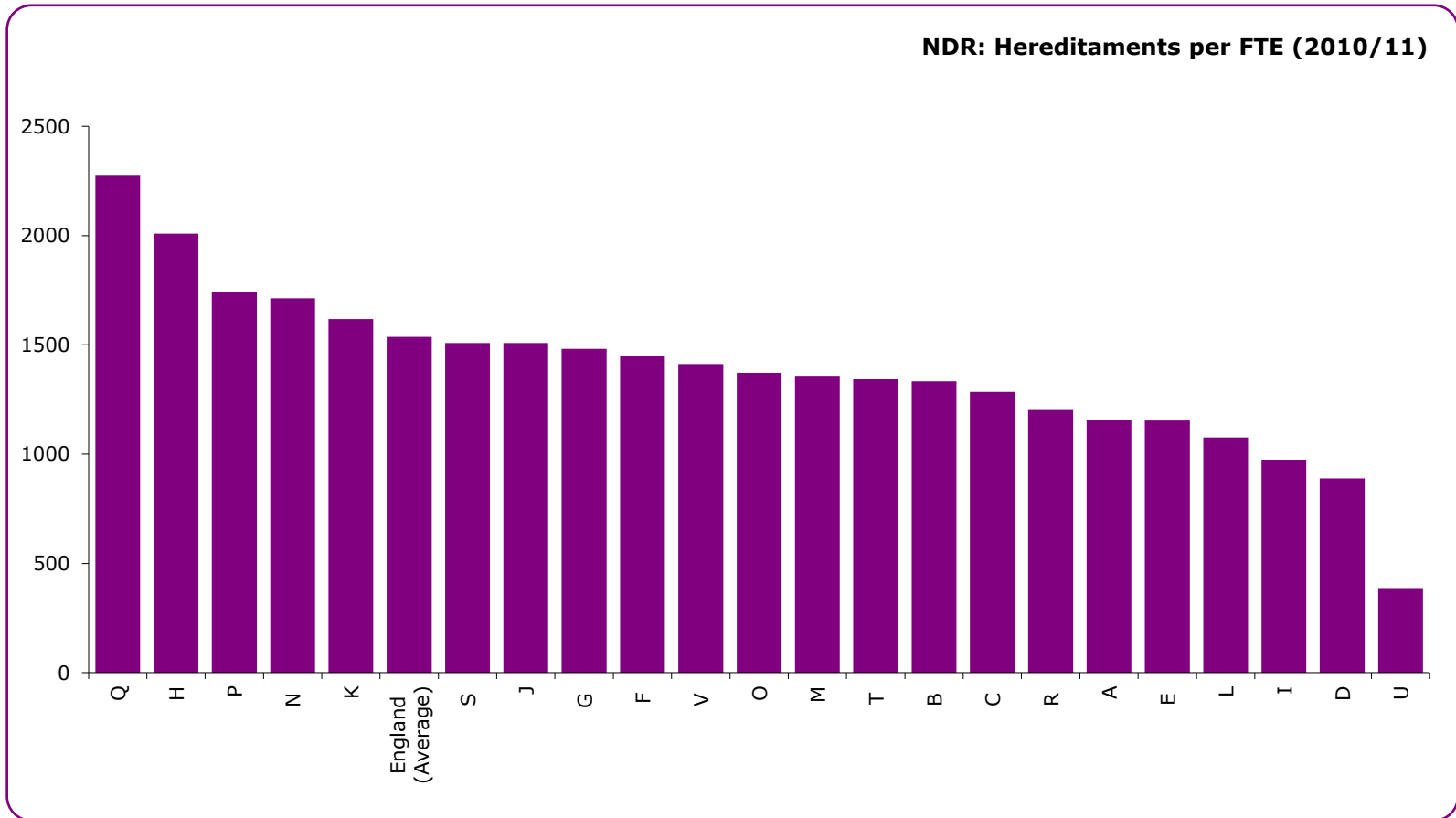
Average contacts per hereditament (where there is a full set of data for each of the channels) vary between 1.6 at authority V to 5.1 at authority D.

The analysis of the English CIPFA benchmarking equivalent data shows an average of 2.1 contacts per hereditament with a high of 11.5 contacts per hereditament.

NDR Customer Services: percentage of calls answered or abandoned (2010/11)



Calls offered & %age of calls answered – this varies between 98% of calls answered at authority B and authority M to 52% of calls answered at authority N. This latter figure appears surprising in view of the comparatively high NDR performance (joint 3rd on in-year collection) that authority N achieved in 2010-11; we would normally expect the high call abandon rates to adversely affect the billing, collection and recovery outcomes of the service.



A recognised measure of efficiency of the NDR function is NDR hereditaments per FTE. Authority Q is the highest (2,274) with authority U the lowest (384). The majority of Wales authorities compare favourably to the England average of 1,537 properties per FTE.

In section 8 of this report these measures have been compared against the 'Barony' and 'Greater Manchester' benchmarks to quantify potential staff cost savings.

4. Identification & Analysis of Successful Collaborations that Include Revenue Services

Identification & analysis of successful collaborations (1)

CIPFA has undertaken this part of the review by researching the market for current revenues service collaborations. Our original plans were to gather this information by a questionnaire targeted at these existing revenues partnerships, unfortunately the response was very poor & we have therefore used alternative sources for this analysis.

The level of granularity of this research has not included the 'softer' collaborations such as joint training, single person discount joint reviews etc.

This research has identified that:-

- these collaborations are varied in their scope and objectives;
- these collaborations are varied in their maturity; as well as those that are at 'Operational' status and there are also a number of potential collaborations at various stages of formation;
- most of the established collaborations involving Revenues also include benefit services as part of their overall scope – from our experience of performance management of revenues and benefits services, including those in a contractually outsourced environment, this is usually due to the risk and lack of resilience involved in the formal performance management of say a (collaborative or otherwise) CT service that is heavily reliant on the parallel performance of an (out of scope) benefit service;

Identification & analysis of successful collaborations (2)

- many of the revenues service collaborations are part of a wider corporate collaboration between local authorities covering other transactional services, ICT, HR, legal services, procurement etc;
- a number of the collaborations that have matured into full operational partnerships often initially began as softer alliances; and
- most of the collaborations are inter-authority, although there are some that also include a private sector partner as either a junior or senior formal stakeholder in the collaboration

We have included details of the fuller range of collaborations involving revenue services and where relevant have included details of the wider context (e.g. part of a wider service collaboration etc.) within which they operate.

Whilst we have not included details in this analysis, it is also worth reflecting that there have been a number of embryonic collaborations incorporating revenues services that have failed to reach 'go live' operational status. Our research also identifies that some of the original prospective partnering councils have opted to detach from the collaborations before they have reached operational status.

Our analysis of these current collaborations with a revenues services component is shown in the following slides:-

Identification & analysis of successful collaborations (3)

Partnership Name	Organisations involved	Key Characteristics	ICT Supplier for Partners
Anglia Revenues Partnership (ARP)	Breckland District Council, East Cambridgeshire District Council, Forest Heath District Council. & St Edmundsbury Borough Council	The ARP is a group of three Local Authorities working together to provide a shared Revenues & Benefits service originally to the residents of Breckland Council, East Cambridgeshire District Council & Forest Heath District Council and has been in existence since 2003; St.Edmundsbury Borough Council joined the Partnership more recently. ARP also have a separate trading arm ARP(Trading) Ltd which is used for the delivery of chargeable services to other councils.	Capita-Capita-Capita-Capita
CenSus Partnership	Horsham, Mid Sussex and Adur District Councils.	Began with a shared approach to Revenues and Benefits between two of the districts, which has now been expanded to the CenSus Partnership involving the 3 authorities and the delivery of ICT.	Capita-Capita-Capita
Christchurch and East Dorset Partnership	Christchurch Borough Council; East Dorset District Council; North Dorset Council	Strategic Alliance between the councils with a single management structure to deliver a range of services including Revenues & Benefits services.	Capita-Capita-Capita

Identification & analysis of successful collaborations (4)

Partnership Name	Organisations involved	Key Characteristics	ICT Supplier for Partners
Compass Point	South Holland District Council & East Lindsey District Council	Compass Point is a shared company established by the 2 district councils to consider and deliver shared services including Revenues & Benefits; the primary focus has been to re-design business processes and standardisation of ICT systems.	Capita-Capita
Cotswold & West Oxfordshire Shared Services	Cotswold DC & West Oxfordshire DC	A shared Chief Executive & shared management in Revenues & Benefits services	Northgate-Northgate
East Kent Authorities Shared Services Partnership	Canterbury City Council, Dover District Council, Thanet District Council	The shared service partnership with the shared service staff hosted by Thanet District Council. Services include ICT, face to face and contact centre customer services, Revenues and benefits, residual housing services and building control.	Northgate-Civica-Civica
Eden & South Lakeland	Eden DC & South Lakeland DC	Shared Management team for Revenues & Benefits	Civica-Civica
Fylde Borough Council and Blackpool Council: Shared Revenues and Benefits	Fylde Borough Council; Blackpool Council	5 Year Shared Services Agreement for Revenues & Benefits Services	Capita-Capita

Identification & analysis of successful collaborations (5)

Partnership Name	Organisations involved	Key Characteristics	ICT Supplier for Partners
Lancashire (sic) Shared Revenues & Benefits	Allerdale Borough Council; Carlisle City Council and Copeland Borough Council	A merger of the Revenues and benefits service between Allerdale, Carlisle and Copeland Councils.	Capita-Capita-Capita
Leicestershire Revenues and Benefits Partnership	Hinckley and Bosworth Borough Council, North West Leicestershire and Harborough District Councils	Shared Revenues and benefits service involving 3 districts centralised at Hinckley's offices.	Capita-Capita-Capita
LGSS	Cambridgeshire County Council, & Northamptonshire County Council - Norwich City Council	The LGSS Shared Service set up by Cambridgeshire & Northamptonshire County Councils also now includes (from April 2012) the provision of Revenues & Benefits Services to Norwich City Council	Civica
Lincolnshire Shared Revenues and Benefits	North Kesteven and West Lindsey District Councils, and Lincoln City Council	A shared service was formed in June 2011 for Revenues and Benefits Services between City of Lincoln Council and North Kesteven District Council, to deliver improvements for customers and value for money. The shared service is hosted by City of Lincoln Council and Revenues and Benefits work for the two partner authorities will be carried out by staff employed by City of Lincoln.	Northgate-Northgate-Northgate
Mid Kent Improvement Partnership	Swale and Ashford and Tunbridge Wells Borough Council Councils, and Maidstone District Council	There are a suite of shared services projects currently underway, including Human Resources, Legal, Internal Audit, and Revenue and Benefits services. Swale does not participate in the R&B sharing.	Capita-Northgate-Northgate-Northgate

Identification & analysis of successful collaborations (6)

Partnership Name	Organisations involved	Key Characteristics	ICT Supplier for Partners
Revenues & Benefits Partnership	Stevenage BC & East Hertfordshire DC	Shared Revenues & Benefits Service - staff restructure & working arrangements, single IT solution, harmonising business processes & agreed governance arrangements	Capita-Capita
Revenues & Benefits Shared Service	Preston City Council, Lancaster City Council	Preston City Council host authority for the provision of Revenues & Benefits Services for both councils; savings generated through a rationalisation of posts prior to shared services commencing.	Capita-Capita
Shared Revenues Partnership	Babergh District Council; Mid-Suffolk District Council; Ipswich Borough Council	Joint Revenues & Benefits Service with all staff transferred to Ipswich under TUPE regulations; single office location and single ICT platform (with Mid-Suffolk migrating from Civica to Northgate).	Northgate-Northgate-Northgate
South West Devon Districts	South Hams DC & West Devon DC	Shared Revenues & Benefit Services as part of a wider shared services and shared management agreement.	Northgate-Capita
South Oxfordshire and Vale of White Horse Shared Management	South Oxfordshire and Vale of White Horse District Councils	Joint Chief Executive and management structure including a joint revenue and benefits contract with Capita in place before shared management arrangements became operational. The Revenues & Benefits contracts are managed by a single Client Unit.	Capita-Capita

Identification & analysis of successful collaborations (7)

Partnership Name	Organisations involved	Key Characteristics	ICT Supplier for Partners
South Worcestershire Revenues and Benefits	Malvern Hills District Council; Wychavon District Council & Worcester City Council;	The project involved the migration from three diverse Revenue and Benefits operations to one organisation , combining people, processes and technology.	Capita-Capita-Capita
Stafford & Cannock Shared Services	Stafford BC & Cannock Chase DC	Sharing a range of back office services including Revenues & Benefits; using the lead authority model with Cannock Chase the lead authority.	Northgate-Northgate
Stour Valley Revenues & Benefits Partnership	Christchurch Borough Council; East Dorset District Council; North Dorset District Council	Shared Revenue and benefits service operated from a single location.	Capita-Capita-Capita
Three Rivers & Watford Shared Services	Watford Borough Council; Three Rivers District Council	Shared Service Delivery of Revenues & Benefits Services.	Capita-Capita
Wellingborough and Northampton Business Rates Consortium	Wellingborough and Northampton Borough Councils with private sector partner.	A Business Rates consortium hosted by Northampton Borough Council with Capita as private sector partner.	Capita-Capita
Western Dorset Revenues and Benefits Cluster	Purbeck District Council; West Dorset District Council; Weymouth and Portland Borough Council	Running a joint Revenues & Benefits service.	Capita-Capita-Capita

Identification & analysis of successful collaborations (8)

From the analysis of the currently established revenues collaborations it is noticeable that with the exception of the Fylde & Blackpool (District-Unitary) and LGSS Cambridgeshire, Northamptonshire & Norwich City (County-County-District) Partnerships all the remaining examples are composed of District-District collaborations/ partnerships.

From our research, we understand that a couple of other emerging potential Collaborations involve Unitary level local authorities. These are:-

- Bristol City & Bath & North East Somerset councils – NDR Shared Service; and
- North Lincolnshire – North East Lincolnshire Shared Revenues & Benefits.

Whilst there are some examples of mixed revenues application based partnerships, the majority are based around common software suppliers for the partnership members.

Identification & analysis of successful collaborations – Critical Success Factors (1)

Our research has identified a range of critical success Factors (CSFs) being reported for the formation, implementation, transition and transformation and operational stages of these existing Collaborations.

These include:-

- “Project manage the initiative using recognised project management tools and methods”;
- “Develop a clearly articulated vision and outcomes shared by the participating authorities at councillor and senior officer level”;
- “Develop a detailed baseline of the in-scope services and ensure a thorough understanding of the differences between the councils in softer aspects also (culture, people-related policies, delegation levels)”;
- “A “partnership of the willing” is more likely to succeed”;
- “Undertake a thorough options appraisal, including market testing, to ensure the preferred option represents value for money and best meets organisational objectives”;
- “Prepare to be flexible, to compromise and if required make tough decisions to make progress, whilst keeping sight of the end goal”; and
- “Recognise the significance of change required for shared services and allow sufficient time to get consensus and agreement on the detail”;

Identification & analysis of successful collaborations – Critical Success Factors (2)

- “Ensuring that there is a robust and resilient business case for the proposed collaboration”;
- “Demonstrable commitment and leadership from senior management at all participating councils”;
- “Communicating and consulting consistently throughout the organisations and at all times”;
- “A good ICT infrastructure is critical to the successful delivery of the business objectives”;
- “Harmonisation of business processes including through lean systems Thinking reviews are critical to successful operations”;
- “Ensuring that there is equity in funding & service delivery”;
- “Developing robust yet streamlined governance arrangements backed by a joint working protocol”; and
- “Effective performance management and reporting systems are essential for management and control of the operational services”.

5. Opportunities to Improve Efficiency & Effectiveness of Revenues Services

Opportunities to improve efficiency and effectiveness in revenues collection (1)

In recent years there has been a noticeable and understandable (due to Council budget pressures and the added focus on income maximisation and the effectiveness and efficiency of revenue services) change in focus and priorities away from benefits service improvements towards improvements in revenue services.

This review has identified a number of innovations that are focused on the improvement of a range of service components including those that could be categorised as focused on:-

- Processes;
- Performance;
- Collection;
- Improving the customer experience; and
- Part-sourcing/ managed service offerings.

Opportunities to improve efficiency and effectiveness in revenues collection (2)

As part of this research and the wider analysis of the various 'as-is' revenues services operations in Wales we have noted that some of these innovative trends (e.g. Performance - *PMQA* from *RB Performance*) may already be adopted by some of the Welsh revenue services. We have still included these 'innovations' here for the sake of completeness and for consideration by those Welsh revenue services that may not already have implemented these 'solutions'.

For the sake of clarity, where any efficiency and effectiveness trends relate to collaborative working we have incorporated those trends in the 'current Collaborations' section of the report.

We has mentioned some 'proprietary' offerings and commercial providers in the analysis below; this should not be construed as a CIPFA recommendation of these products or services.

Opportunities to improve efficiency and effectiveness in revenues collection (3)

PROCESSES

The 'innovative' trends around processes include:-

Item Name	Brief Description	Key Objectives
Processing hubs	(Remote) processing capabilities to/for other Revenues Services	<p>These 'processing hubs' have been developed by and between some local authority Revenues Services to deliver processing capacity and capability to other users often for both ad-hoc backlog clearance and longer term purposes. An example of this offering was the provision of remote back-office processing of Revenues (and Benefits) for Luton Borough Council by Peterborough City Council.</p> <p>In addition to local authority provided offerings these processing hubs are also provided in various designs & configurations by some private sector providers including:-</p> <ul style="list-style-type: none"> • <i>Capita</i> • <i>Liberata</i> – including through its <i>Capacity Grid</i> offering
eCAPTURE	Automated Forms Processing data validation and data input solutions	<p>The <i>eCAPTURE</i> service is a somewhat unique market offering from Govtech a specialist Local Government provider.</p> <p>Currently their main offering Benefits <i>eCAPTURE</i> is in use in a number of Benefit Services. The product/service is similar in design/concept to the <i>CACI</i> Automated Forms Processing offering that was DWP Funded and initially developed in association with LB Harrow & South Gloucestershire Council.</p> <p>Benefits <i>eCAPTURE</i> has been used in a Benefits Service environment for a number of years. From our market intelligence a new product Revenues <i>eCAPTURE</i> is currently being implemented in a London Borough Revenues Service for a product launch & release at the CIPFA Conference in July 2012. It is initially being developed for use in a <i>Northgate</i> Revenues system environment.</p>

Opportunities to improve efficiency and effectiveness in revenues collection (4)

PROCESSES

The 'innovative' trends around processes include:-

Item Name	Brief Description	Key Objectives
Process review	Reviews of Revenues business processes & practices	<p>A significant number of local authorities have already or are currently undertaking process reviews of their current CT and NDR process and practices in order to improve their effectiveness and efficiency.</p> <p>The scope of these reviews varies from end-to-end (front & back office) process reviews to reviews, say, specifically targeted at improving Collection & Recovery. These reviews can often incorporate staff from the authority visiting other high-performing services to learn (and try to replicate) the best practices from those authorities.</p>
e-Processing	Process automation and e-Forms	<p>e-Processing and the development of increased process automation has received increased attention in recent years partly as a result of the drive to reduce overall process transaction costs and resources involved in the administration of CT and NDR.</p> <p><i>Capita</i>, <i>Northgate</i> and <i>Civica</i> each have their own e-Processing 'modules' with specific functionality for Revenues Services.</p> <p>These 'modules' are primarily focused on providing functionality that enables customers to provide (self-fulfilment) information on-line using specifically designed forms/portals. In addition to the use of these modules for customer self-fulfilment, a number of authorities are also using these same e-Processing modules as input mediums by their face-to-face and telephony Customer Service staff.</p> <p><i>Northgate</i> also have a '<i>Task Manager</i>' module that provides an embedded workflow layer to their Revenues applications that can be purchased and developed to provide business rules and a degree of process automation for their application process handling.</p>

Opportunities to improve efficiency and effectiveness in revenues collection (5)

PROCESSES

The 'innovative' trends around processes include:-

Item Name	Brief Description	Key Objectives
EDMS Process Blueprints for Revenues Services	Off-the-shelf process workflow models for CT & NDR processes	<p>Many Revenues Services have already invested time and effort in using the embedded workflow capabilities in their EDMS applications to develop business rules and process routing layers to assist in the control and automation of their business processes for the various incoming document types.</p> <p>We understand that one of the major EDMS providers (<i>Civica</i>) are currently working on developing process 'Blueprints' as part of their already widely established (particularly in Revenues & Benefits service environments) EDMS product offering. It is unclear whether this 'Blueprint' will be an additional chargeable module, but its release may reduce the lead-time for a user in developing a comprehensive set of rules/routing layers for their CT and NDR operations.</p>

Opportunities to improve efficiency and effectiveness in revenues collection (6)

PERFORMANCE

The 'innovative' trends around performance include:-

Item Name	Brief Description	Key Objectives
Performance Management	Performance Management Infrastructures	<p>A number of methodologies and tools have been implemented by Revenues Services to assist in the planning, control and management of performance and productivity at service, team and individual levels.</p> <p>These performance management infrastructures (PMIs) include both in-house built databases of varying design and complexity, as well as package solutions such as <i>PMQA</i> (Performance Management & Quality Assurance) from <i>RB Performance</i> (which we understand from the companies web-site list of clients is already in use in some of the Welsh authorities for Revenues or Benefits operational support).</p> <p>The <i>PMQA</i> software provides users with a fully flexible, comprehensive performance and quality assurance tool that is easy to set up, can be customised by the user and has the ability to:</p> <ul style="list-style-type: none"> • Set targets and monitor performance • Identify the strengths & weaknesses of individual staff • Control how many QA checks are selected for each person • Automatically notifies the results to relevant users and team leaders/managers • Can analyse your data & produce real-time, ad-hoc and historical reporting • Analyse individual performance levels and identify training needs <p>These PMIs, both in-house and proprietary, are also used for resource planning and workload estimating as well as performance/productivity management.</p> <p>PMI solutions have also been firmly established in Revenues (and Benefits) BPO company operational and performance control models for a number of years. Their PMI solution designs have often included the allocation of 'stand minute value' average handling times to document types/activities (e.g. "in-district change of occupier" say 4 minutes) to enable them to measure both the incoming workload for resource planning purposes and also to measure the tasks completed at service, team and individual levels of granularity.</p>

Opportunities to improve efficiency and effectiveness in revenues collection (7)

COLLECTION

The 'innovative' trends around collection include:-

Item Name	Brief Description	Key Objectives
Intelligence led Debt Recovery	Analysis and categorisation of debtors based upon previous payment/recovery history & personal account attributes	<p>Analysis and categorisation of debtors to identify those that will only pay at the later stages of the recovery cycle to mark them for potential inclusion in say "the May Summons run" to accelerate the timeliness of in-year recovery.</p> <p>These intelligence led Debt Recovery procedures can also define the appropriate course of action to be follow to recover the debt (e.g. special arrangement negotiation limitations, attachment of earnings or the use of bailiffs).</p>
Debtor management - external	Using the services of data management agencies (e.g. Experian, Call Credit etc.) as a component in the recovery process	<p>Some of the Welsh Revenues Services operations are already using private sector partners to provide 'credit checking' type services and will be aware that companies such as <i>Experian</i> are keen to use their extensive database of information on personal and corporate customers to shape-up innovative offerings to Local Government.</p> <p>These include offerings for: - Abscond Tracing, data checks to assist in the potential differentiation of "can't pay from won't pay", SPD reviews and other residency checks.</p>
Direct Debit	Direct Debit method of payment conversion as part of payment negotiation at Summons stage	As part of the negotiation with debtors at the Summons stage of the Recovery process some authorities have introduced a procedure that allows officers to agree to write back a defined portion of the enforcement (court) costs if the debtor agrees to pay the current balance outstanding by Direct Debit. The procedures also include protocols to ensure that if the Direct Debit arrangement is not kept then the debtor cannot repeat this special negotiated arrangement on an iterative basis.

Opportunities to improve efficiency and effectiveness in revenues collection (8)

IMPROVING THE CUSTOMER EXPERIENCE

The 'innovative' trends around improving the customer experience include:-

Item Name	Brief Description	Key Objectives
Contact centre reviews	Review of existing ("1st generation") call/contact centre operations to provide a range of effective and efficient contact channels and related processes	<p>A number of authorities are reviewing their existing (1st generation) call/contact centres to improve both their efficiency & effectiveness. These reviews are often part of a wider review of front & back offices processes and procedures with a Target Operating Model designed to:-</p> <ul style="list-style-type: none"> • Incorporate e-Services to enable improved customer self-fulfilment • Improve First Point of Contact Resolution • Introduce or revise existing Service Level Agreements between back and front office 'layers' • Introduce Content Management Systems in the provision and updating of integrated corporate and service specific web portals. • Accommodate the 'Tell us Once' functionality and capabilities

Opportunities to improve efficiency and effectiveness in revenues collection (9)

PART-SOURCING/MANAGED SERVICE OFFERINGS

The 'innovative' trends around part-sourcing include:-

Item Name	Brief Description	Key Objectives
Scanning & Indexing	Use of bureau to undertake the scanning & indexing processes for DIP/EDMS customers on a managed service basis	<p>A number of commercial service providers offer a contractually managed service to receive, scan and index documents for clients who have DIP/EDMS systems.</p> <p>The service delivery models vary between suppliers, but in general terms involve:-</p> <ul style="list-style-type: none"> the use of a remote PO Box number for directing inbound letters and documents to the (remote) managed service provider the scanning of inbound documentation, often using high-end scanning equipment; the service can also include the verification and return postage of any prime documents the indexing of documentation to specific customer records <p>These services are normally provided within a contractually managed set of service and quality measures.</p>

Opportunities to improve efficiency and effectiveness in revenues collection (10)

Lean Processes

Many local authorities have used 'lean' to great effect (e.g. LB Waltham Forest, LB Ealing). 'Lean systems thinking' is a set of tools and techniques designed to challenge non value added activity and wasteful practices inherent in current work processes, and embed a culture of continuous improvement.

In the UK public sector, there are many improvement techniques and methodologies in use including lean, Six Sigma, business process re-engineering (BPR), PRINCE2, total quality management (TQM) and theory of constraints (TOC). These range of techniques and methodologies all share some key principles:-

- Processes are reviewed in detail in order to identify waste, duplication, errors, variations, bottlenecks and blockages; and
- Changes are made to eliminate such waste and duplication and streamline processes to an optimum in terms of their cost, quality and productivity.

The 'lean' tools and methods can play an integral part of delivering major transformation of the CT and NDR functions.

Opportunities to improve efficiency and effectiveness in revenues collection (10)

Change Management

Change management will be essential to the success of any collaboration option that is taken forward and implemented.

Effective change management will anticipate and tackle factors (mostly people and organisational) that could create a barrier to the new ways of working in the CT and NDR services. The ultimate goal is to ensure that all those affected by change are adequately prepared for their new roles and responsibilities, are clear what success looks like and are motivated to act in a supportive way.

It must also be remembered that change management cannot compensate for a poor business case or project implementation plan: all elements need to work well in tandem if change is to deliver business value and the stakeholders involved brought on board.

6. Potential Delivery Vehicles for Revenues Collection

Potential Delivery Vehicles for Revenues Collaboration (1)

In this section of the report we have included details on typical service delivery vehicles employed in collaborations and also some details on governance models for collaborations.

There are a number of structural and legal issues that need to be considered around the governance models (and service delivery vehicles) which are outside of the scope of this project. These include the legalities of setting up collaborative services entities (joint committees, joint venture Companies, limited liability partnerships, etc), their suitability in respect of the authorities' objectives for the collaborative service arrangements and EU procurement implications.

In general terms the governance models and service delivery vehicles are encompassed by three main categories:-

- Informal Collaborations;
- Formal Collaborations (including variants such as joint service, delegation to another authority, joint venture (companies) etc; and
- Outsourcing.

In a later section of this report we will consider the specific opportunities for collaboration in revenues services in Wales that we have identified from our analysis of the various data around headcount, performance, ICT infrastructure etc.

Potential Delivery Vehicles for Revenues Collaboration (2)

Service Delivery Vehicles	Comments
<p>Informal Collaboration/Incremental Sharing Coordinated strategy, knowledge sharing or co-sourcing through informal collaboration mechanisms. Individual authorities choose on a case-by-case basis the extent to which they participate.</p>	<p>This model is often the initial 'vehicle' adopted during initial benchmarking & specific service strands improvement initiatives; from the review of existing Collaborations these types of models are often then grown into more formal partnerships (e.g. the Anglia Revenues Partnership initially grew from a need to address poor performance, exposed under the Best Value regime, in Revenues amongst the neighbouring authorities).</p>
<p>Joint Service This service delivery model comprises a formal arrangement and is established for a defined purpose. Policy is likely to be determined by local authority members for the purpose determined or delegated by the principal authorities, probably by a joint committee but possibly through a simultaneous executive meeting. The service delivery model is managed by designated officers.</p>	<p>Requires agreement amongst the participating local authorities, which should be documented but avoids the administration of setting up and operating a separate entity. There are no additional regulatory requirements to comply with e.g. company audit and annual returns. There are no statutory wind-up considerations at dissolution.</p>
<p>Delegation to another authority This service delivery model comprises a formal arrangement and is established for a defined purpose. Local authority 2 delivers defined services on behalf of Local authority 1 under delegated arrangements. Within the delegation, the services are delivered and managed within the decision-making framework of Local authority 2.</p>	<p>Requires agreement amongst the participating local authorities, which should be documented but avoids the administration of setting up and operating a separate entity. There are no additional regulatory requirements to comply with e.g. company audit and annual returns. There are no statutory wind-up considerations at dissolution.</p>

Potential Delivery Vehicles for Revenues Collaboration (3)

Service Delivery Vehicles	Comments
<p>Goods and services Local authority 1 delivers specified incidental services to Local authority 2. This is fundamentally a client-contractor arrangement between the two authorities. Local authority 1 will be solely responsible for the governance of the contractor function. Local authority 2 will be solely responsible for the governance arrangements for the client function.</p>	<p>Requires agreement amongst the participating local authorities, which should be documented but avoids the administration of setting up and operating a separate entity. There are no additional regulatory requirements to comply with e.g. company audit and annual returns. There are no statutory wind-up considerations at dissolution.</p>
<p>Company limited by guarantee Under this model, two or more local authorities form a company limited by guarantee. The authorities will be the members of the company and a board will be appointed under the terms of the company's constitution. There may be an agreement between the authorities and the company regulating its conduct and there may be a contract between the company and the authorities in respect of the services it delivers.</p>	<p>This model would require both in terms of set up and on-going running, compliance with the requirements of the Companies Acts. It requires agreement amongst the participating local authorities, which should be documented and the administration of setting up and operating a separate entity. There are additional regulatory requirements to comply with e.g. company audit and annual returns. There are statutory wind-up considerations at dissolution.</p>

Potential Delivery Vehicles for Revenues Collaboration (4)

Service Delivery Vehicles	Comments
<p>Company limited by shares (for profit) Under this model, two or more local authorities form a company limited by shares. The authorities will be the shareholders of the company and a board will be appointed under the terms of the company's constitution. There may be an agreement between the authorities and the company regulating its conduct and there may be a contract between the company and the authorities in respect of the services it delivers.</p>	<p>This model would require both in terms of set up and on-going running, compliance with the requirements of the Companies Acts. It requires agreement amongst the participating local authorities, which should be documented and the administration of setting up and operating a separate entity. There are additional regulatory requirements to comply with e.g. company audit and annual returns. There are statutory wind-up considerations at dissolution.</p>
<p>Joint Venture Third party company set up to deliver the service(s) owned jointly by the participating authorities and a private sector company. The authorities have contracts with it to provide the services.</p>	<p>This model would typically provide assistance with investment required (e.g. to align IT systems). However, any savings would have to be shared with the private sector partner. This model would normally be subject to EU procurement legislation.</p>

Potential Delivery Vehicles for Revenues Collaboration (5)

Service Delivery Vehicles	Comments
<p>Outsource Service delivery is contracted with private sector service provider. Typically a long term relationship where many of the existing employees (through TUPE) and assets transfer to the service provider.</p>	<p>This model would be subject to EU procurement legislation. The costs of procurement can be substantial and gestation period can be long (24 months +); there may also be a risk of 'frozen' services/performance/savings during procurement period. There could be potential issues and sensitivities around staff employment transfer. Any savings would have to be shared with the private sector service provider. The contractual nature of these types of service delivery vehicles can result in issues around:-</p> <ul style="list-style-type: none"> •Inflexibility (e.g. to re-align with changing corporate strategies) in the service over the term of the contract •Loss of control over the service •Exit strategies in the result of contract performance failure

Potential Delivery Vehicles for Revenues Collaboration – Governance (1)

Shared service collaborations will be more successful and provide greater confidence to public sector partners where there is a strong governance structure in place. Responsibilities and accountabilities need to be well defined so that each party (including potential commercial partners) understands its role at all stages in the shared services lifecycle.

Clear governance arrangements should help build trust and understanding between the parties and allow for effective ways of working to be agreed. This will include setting resource requirements and key performance indicators (KPIs), and monitoring the delivery of services in line with service level agreements (SLAs).

Governance is particularly important at the time when services are being transferred to the 'partnership': customers (in most cases, the partner councils) will want the assurance that the right mechanisms are in place to ensure all operations run as smoothly as possible. A robust and well-defined governance model will be important here in guarding against the pitfalls associated with change. This also needs to work as part of the general service delivery and management framework and under the umbrella of the overall SLA.

Potential Delivery Vehicles for Revenues Collaboration – Governance (2)

From a strategic perspective, governance ensures that the direction of the collaboration is aligned with the overall vision of its partners. From an operational perspective, the governance function sets expectations, monitors service performance and works to drive improvement.

A governance structure should be developed from the start of any collaboration service initiative and updated through the project lifecycle. This will set out who should be on the governance board and other bodies, the extent of their powers, and who will be responsible for what. The nature of the board will reflect the collaboration model and legal vehicle used, as well as procurement and legal obligations on the part of member councils.

A typical governance model is shown on the next slide.

Potential Delivery Vehicles for Revenues Collaboration – Governance (3)

Example governance structure

Governance Body	Membership	Frequency of Meeting
Governance Board	Chair of Board/ Shared Service Leader / Director Partner CEOs / Elected members/ Non Exec representatives	Quarterly ↑
Service & Customer Forum	Shared Service Leaders / managers/ Key Account Managers/ Customer Representatives /Functional Specialists (Shared Services & Customer Service)	↑ Monthly ↑
Operational Management Team	Shared Service Leaders / managers /Key Account Managers /Customer Representatives/ Functional Specialists	↑ Weekly

Potential Delivery Vehicles for Revenues Collaboration – Governance (4)

Scrutiny committees

In addition to bodies set up for the purpose of governing the collaboration, council scrutiny committees will also have a role to play in ensuring that services are being performed effectively and in accordance with regulations, and that customers' needs are being met.

In some instances this may involve collaboration management team members being invited to individual councils' committee meetings. In many cases, though, joint scrutiny meetings may be held. Members of such committees will need to be kept abreast of developments involving the collaboration and receive management reports in an appropriate and timely manner.

Other governance issues to consider might include:-

- Standing Orders;
- Financial Regulations;
- Contract procedure rules;
- Overview & Scrutiny Arrangements; and
- Complaints Procedures.

7. Collaboration Options

Collaboration Options (1)

The earlier analysis of current collaborations has identified ICT synergy as a recurring (though not exclusive) characteristic of these operational collaborations/ partnerships and we have used this factor as one of the main evaluation criteria in testing the logic of joint service delivery options for revenues services in Wales.

In considering the initial service delivery collaboration options for CT and NDR in Wales we have based our high-level, first-pass feasibility analysis on some of the baseline service delivery data including:-

- Current I.T systems – to test the ICT infrastructure compatibility of any future collaboration models;
- Total number of properties/ hereditaments to identify the potential 'size' of any future collaboration models; and
- Headcount to identify the potential organisational size of any future collaboration models.

This analysis has provided an outline picture of what any future 'joined-up' service configurations might look like and produced a first-pass test of the potential feasibility of the various options and current inter-authority compatibilities including for:-

- A single Wales (national) revenues service;
- Regional (Footprint) based revenues services; and
- ICT infrastructure based 'virtual' revenues services.

Collaboration Options (2)

In addition to this service level modelling of potential collaborations in a holistic, joined-up service delivery of revenues services, we have also then looked at the opportunities for collaboration across the various layers of the overall services (e.g. ICT support/ hosting, procurement of support services (e.g. printing, bailiffs etc.) including the opportunities to expand and build upon existing collaborations amongst the revenues services in Wales.

It should be pointed out that the various collaboration options could be delivered by any of the three main service delivery vehicles (informal collaboration, formal collaboration, outsourcing) mentioned earlier.

This initial feasibility analysis of the potential 'joined services' is shown in the tables on the following slides.

Collaboration Options - CT Service Delivery – Wales - Single Service Characteristics

Authority	Gross Cost per Property	Regional Footprint Group	WIMD	I.T. Systems	EDMS Systems	Total Domestic Properties	Council Tax in-year collection	CT Collection Ranking	Ct Headcount	CC Staff	Total FTE
Anglesey	14.12	NW	14	NIS		34057	96.4	16	8.88	0	8.88
Blaenau Gwent	13.99	GWT	1	NIS	CIV	31883	95.4	20	17.50	0	17.50
Bridgend	4.02	WBAY	12	NIS	Anite	60937	96.5	15	18.00	0	18.00
Caerphilly	11.28	GWT	5	CAP	IDOX	76921	95.8	18	19.60	0	19.60
Cardiff	19.03	C&V	9	NIS	CIV	148238	94.5	22	45.00	7	52.00
Carmarthenshire	13.06	M&W	11	NIS	NIS	83178	97.6	2	20.00	2.4	22.40
Ceredigion	15.46	M&W	20	CAP	CIV	34452	96.8	13	9.38	2	11.38
Conwy	11.30	NW	13	CAP	NIS	55579	96.9	10	19.60	0	19.60
Denbighshire	10.96	NW	10	CAP	CIV	43806	98.2	1	13.10	0	13.10
Flintshire	8.91	NW	19	CIV	CIV	65343	97.5	4	17.60	0	17.60
Gwynedd	14.22	NW	16	CAP	Open Text	60352	96.7	14	19.70	0	19.70
Merthyr Tydfil	27.10	CTAF	2	NIS	Anite	26380	95.3	21	19.00	0	19.00
Monmouthshire	15.14	GWT	22	NIS		39833	97	9	12.00	0	12.00
Neath Port Talbot	15.49	WBAY	3	CAP		64088	97.2	6	19.00	0.5	19.50
Newport	11.41	GWT	6	CAP	NIS	63116	95.7	19	20.60	4.5	25.10
Pembrokeshire	11.54	M&W	15	NIS	NIS	58773	97.6	2	19.90	1.8	21.70
Powys	13.44	M&W	21	NIS	CIV	60547	97.3	5	14.10	5	19.10
Rhondda Cynon Taf	8.91	CTAF	4	CAP	Anite	105727	96.9	10	22.00	9.7	31.70
Swansea	15.82	WBAY	7	NIS	CIV	108533	96	17	42.40	0.5	42.90
Torfaen	11.20	GWT	8	NIS	NIS	40087	97.1	7	7.53	0	7.53
Vale of Glamorgan	12.28	C&V	18	CAP	Open Text	55381	97.1	7	17.14	0	17.14
Wrexham	11.01	NW	17	NIS	CIV	58321	96.9	10	11.50	0	11.50
Total						1375532			413.53	33.40	446.93

Collaboration Options – NDR Service Delivery – Wales - Single Service Characteristics

Authority	Gross Cost per Property	Regional Footprint Group	WIMD	I.T. Systems	EDMS Systems	Total Hereditaments	NDR in-year Collection	NDR in-year Collection Ranking	NDR Headcount	CC Staff	Total FTE
Anglesey	46.0	NW	14	NIS		2655	97.7	11	1.88	0	1.88
Blaenau Gwent	83.6	GWT	1	NIS	CIV	2153	98.39	6	5.57	0	5.57
Bridgend	64.0	WBAY	12	NIS	Anite	4029	96.7	15	3	0	3
Caerphilly	38.2	GWT	5	CAP	IDOX	4526	96.1	20	3	0	3
Cardiff	35.7	C&V	9	NIS	CIV	11419	96.37	17	9.5	0	9.5
Carmarthenshire	33.6	M&W	11	NIS	NIS	6821	96.37	17	3	0	3
Ceredigion	33.6	M&W	20	CAP	CIV	3483	96.14	19	1	1	2
Conwy	35.4	NW	13	CAP	NIS	4939	98.67	4	3.6	0	3.6
Denbighshire	45.2	NW	10	CAP	CIV	3941	98.7	3	2.3	0	2.3
Flintshire	34.0	NW	19	CIV		5025	98.94	1	3.7	0	3.7
Gwynedd	41.9	NW	16	CAP	Open Text	6995	97.46	13	6.5	0	6.5
Merthyr Tydfil	50.1	CTAF	2	NIS	Anite	1618	98.2	7	1	0	1
Monmouthshire	51.0	GWT	22	NIS		3017	97.7	11	2	0	2
Neath Port Talbot	60.6	WBAY	3	CAP		3896	98.2	8	4	0	4
Newport	22.6	GWT	6	CAP	NIS	4420	98.76	2	2	0.2	2.2
Pembrokeshire	31.2	M&W	15	NIS	NIS	6370	98.1	9	3.9	0.4	4.3
Powys	43.0	M&W	21	NIS	CIV	6527	98.1	10	3.5	1	4.5
Rhondda Cynon Taf	37.6	CTAF	4	CAP	Anite	6462	97.08	14	5.2	0.4	5.6
Swansea	33.9	WBAY	7	CAP	CIV	7204	96.58	16	8.1	0	8.1
Torfaen	53.9	GWT	8	NIS	NIS	2558			1.99	0	1.99
Vale of Glamorgan	58.5	C&V	18	CAP	Open Text	3400	98.6	5	2.55	0	2.55
Wrexham	55.2	NW	17	NIS	CIV	4042	95.82	21	3.5	0	3.5
Totals						105500			80.79	3	83.8

Collaboration Options – Wales single Revenues Service model

This headline evaluation and consideration of a single 'revenues' service for the whole of Wales suggests that this is unfeasible or high-risk for two main reasons:-

- **I.T. Infrastructure** - The current lack of synergy around the I.T systems in use and the risk & cost involved in any conversion to a common system appears to be a significant barrier to a nation-wide service delivery model; and
- **Scale** - The resultant size of a nation-wide service delivery model, from a property caseload and staffing levels perspective, would result in an organisation of some 500+ employees which would make it over 3 times the size of the largest revenues operation that we are aware of in the UK which is Birmingham City Council which consisted of 150 FTE staff, before it was outsourced to CAPITA as part of the Service Birmingham Strategic Partnership contract extension in 2011.

The next option that was considered was the consideration of **regional (footprint) segmentation** in the delivery of revenue services and this analysis also identifies the lack of synergy in current I.T. systems as a major limiting factor to this option.

The third main option that was considered was the consideration of I.T. Systems segmentation (with a secondary analysis by regional footprint grouping) and this analysis is shown in the tables on the following slides.

Collaboration Options - CT Service Delivery – ICT Segmentation

ICT Segmentation											
Authority	Gross Cost per Property	Regional Footprint Group	WIMD	I.T. Systems	EDMS System	Total Domestic Properties	Council Tax in-year collection	CT Collection Ranking	Ct Headcount	CC Staff	Total FTE
Vale of Glamorgan	12.28	C&V	18	CAP	Open Text	55381	97.1	7	17.14	0	17.14
Rhondda Cynon Taf	8.91	CTAF	4	CAP	Anite	105727	96.9	10	22	9.7	31.7
Caerphilly	11.28	GWT	5	CAP	IDOX	76921	95.8	18	19.6	0	19.6
Newport	11.41	GWT	6	CAP	NIS	63116	95.7	19	20.6	4.5	25.1
Ceredigion	15.46	M&W	20	CAP	CIV	34452	96.8	13	9.38	2	11.38
Conwy	11.30	NW	13	CAP	NIS	55579	96.9	10	19.6	0	19.6
Denbighshire	10.96	NW	10	CAP	CIV	43806	98.2	1	13.1	0	13.1
Gwynedd	14.22	NW	16	CAP	Open Text	60352	96.7	14	19.7	0	19.7
Neath Port Talbot	15.49	WBAY	3	CAP		64088	97.2	6	19	0.5	19.5
ICT Total						559422			160.1	16.7	176.82
Flintshire	8.91	NW	19	CIV	CIV	65343	97.5	4	17.6	0	17.6
ICT Total						65343			17.6	0	17.6
Cardiff	19.03	C&V	9	NIS	CIV	148238	94.5	22	45	7	52
Merthyr Tydfil	27.10	CTAF	2	NIS	Anite	26380	95.3	21	19	0	19
Blaenau Gwent	13.99	GWT	1	NIS	CIV	31883	95.4	20	17.5	0	17.5
Monmouthshire	15.14	GWT	22	NIS		39833	97	9	12	0	12
Torfaen	11.20	GWT	8	NIS	NIS	40087	97.1	7	7.53	0	7.53
Carmarthenshire	13.06	M&W	11	NIS	NIS	83178	97.6	2	20	2.4	22.4
Pembrokeshire	11.54	M&W	15	NIS	NIS	58773	97.6	2	19.9	1.8	21.7
Powys	13.44	M&W	21	NIS	CIV	60547	97.3	5	14.1	5	19.1
Anglesey	14.12	NW	14	NIS		34057	96.4	16	8.88	0	8.88
Wrexham	11.01	NW	17	NIS	CIV	58321	96.9	10	11.5	0	11.5
Bridgend	4.02	WBAY	12	NIS	Anite	60937	96.5	15	18	0	18
Swansea	15.82	WBAY	7	NIS	CIV	125025	96	17	42.4	0.5	42.9
ICT Total						767259			235.8	16.7	252.51
Total									413.5	33.4	446.93

Collaboration Options - NDR Service Delivery – ICT Segmentation

ICT Segmentation											
Authority	Gross Cost per Property	Regional Footprint Group	WIMD	I.T. Systems	EDMS Systems	Total Hereditaments	NDR in-year Collection	NDR in-year Collection Ranking	NDR Headcount	CC Staff	Total FTE
Caerphilly	38.2	GWT	5	CAP	IDOX	4526	96.1	20	3	0	3
Ceredigion	33.6	M&W	20	CAP	CIV	3483	96.14	19	1	1	2
Conwy	35.4	NW	13	CAP	NIS	4939	98.67	4	3.6	0	3.6
Denbighshire	45.2	NW	10	CAP	CIV	3941	98.7	3	2.3	0	2.3
Gwynedd	41.9	NW	16	CAP	Open Text	6995	97.46	13	6.5	0	6.5
Neath Port Talbot	60.6	WBAY	3	CAP		3896	98.2	8	4	0	4
Newport	22.6	GWT	6	CAP	NIS	4420	98.76	2	2	0.2	2.2
Rhondda Cynon Taf	37.6	CTAF	4	CAP	Anite	6462	97.08	14	5.2	0.4	5.6
Swansea	33.9	WBAY	7	CAP	CIV	7204	96.58	16	8.1	0	8.1
Vale of Glamorgan	58.5	C&V	18	CAP	Open Text	3400	98.6	5	2.55	0	2.55
Sub-totals						49266			38.25	1.6	39.9
Flintshire	34.0	NW	19	CIV		5025	98.94	1	3.7	0	3.7
Sub-totals						5025			3.7	0	3.7
Anglesey	46.0	NW	14	NIS		2655	97.7	11	1.88	0	1.88
Blaenau Gwent	83.6	GWT	1	NIS	CIV	2153	98.39	6	5.57	0	5.57
Bridgend	64.0	WBAY	12	NIS	Anite	4029	96.7	15	3	0	3
Cardiff	35.7	C&V	9	NIS	CIV	11419	96.37	17	9.5	0	9.5
Carmarthenshire	33.6	M&W	11	NIS	NIS	6821	96.37	17	3	0	3
Merthyr Tydfil	50.1	CTAF	2	NIS	Anite	1618	98.2	7	1	0	1
Monmouthshire	51.0	GWT	22	NIS		3017	97.7	11	2	0	2
Pembrokeshire	31.2	M&W	15	NIS	NIS	6370	98.1	9	3.9	0.4	4.3
Powys	43.0	M&W	21	NIS	CIV	6527	98.1	10	3.5	1	4.5
Torfaen	53.9	GWT	8	NIS	NIS	2558			1.99	0	1.99
Wrexham	55.2	NW	17	NIS	CIV	4042	95.82	21	3.5	0	3.5
Sub-totals						51209			38.84	1.4	40.2
Totals						105500			80.79	3	83.8

Collaboration Options – CT & NDR – ICT Segmentation (1)

This segmentation based upon current core I.T systems shows that an application based collaboration for revenues services would have the following characteristics:-

CAPITA	CT	NDR	Total
Properties	559,422	49,266	608,668
Headcount (FTE)	176	40	216
Northgate	CT	NDR	Total
Properties	767,259	51,209	818,468
Headcount (FTE)	252	40	292
Civica	CT	NDR	Total
Properties	65,343	5,025	70,368
Headcount (FTE)	18	4	22

Collaboration Options – CT & NDR – ICT Segmentation (2)

From an initial high-level evaluation of the feasibility for joint service delivery of NDR services it would appear that the delivery of application based 'virtual' services for NDR could be worthy of more detailed consideration. Any more detailed evaluation of this service delivery option should also consider the additional convergence opportunities presented by the commonality in the current EDMS products in use as well as the core NDR applications in use (e.g. Northgate NDR application & Civica EDMS commonality at Cardiff, Blaenau Gwent, Powys & Wrexham).

There also appears to be a degree of convergence for the CT services around core CT IT systems & the current, underlying EDMS products in use (e.g. Northgate CT application & Northgate EDMS commonality at Torfaen, Carmarthenshire & Pembrokeshire) that might be worthy of more detailed consideration in providing a potential 'network' capable of enabling shared working between these authorities and similar convergent CT-EDMS common system clusters.

The second-pass options consideration was undertaken to evaluate the current collaborations within revenues services in Wales and identify opportunities where these could be extended amongst the Wales authorities and also to look at new, additional opportunities for collaboration.

Collaboration Options – extending existing collaborations (1)

Existing areas of collaboration

The analysis of current (Wales) collaborations around revenues services was based upon the authority responses to the CIPFA *Questionnaire 1* which sought details on current public-private & public-public partners.

In general terms that showed existing collaboration opportunities that could be extended and leveraged around:-

- **Shared Management** – from the responses returned there is currently already a shared revenues manager between Powys & Ceredigion; shared management of services is one of the potential benefits from the evidence from the analysis of current (external) collaborations for revenues and the experience of this sharing of a manager will provide valuable inputs into any detailed consideration of collaboration opportunities for the other revenues services in Wales;
- **Training** – currently there are joint training courses including some NVQ approved assessment capabilities shared primarily amongst the authorities in North Wales which could potentially be extended to other areas of Wales;
- **Single Person Discount Reviews** – currently 7 authorities in North & Mid-Wales have jointly procured a service provider to undertake an SPD review for their authorities; subject to it being tested against a business case approval process this could also be extended to other areas of Wales;

Collaboration Options – extending existing collaborations (2)

- **Bailiffs** – a variety (11 across the 20 services that completed the questionnaire) of different bailiff organisations are engaged across the revenues services. Although most are employed on a 'no charge' to the Council basis, there may be opportunities to use the leverage of the 22 revenues services to develop common procedures and performance management protocols/ SLAs between the 22 services and each bailiff engaged to provide a best practice framework for the management of these contract/partnerships with bailiffs; and
- **Printing** – from the returned data there appears to be limited use made of external printing suppliers across the 22 revenues services for the provision of either main/ bulk billing or ad-hoc printing of bills. Subject to soft market testing & business case approval there may be opportunities to undertake a joint procurement of printing services from specialist contractors (e.g. Print Search, MPS, FDML etc.).

Collaboration Options – Additional areas of potential Collaboration (1)

This evaluation of additional areas of potential collaboration has considered evidence of collaborations from existing collaborations and partnerships for revenues services.

We have also taken into account consideration of specific opportunities for collaboration in Wales that can help to address the 'levelling up' by cross-pollination between the high-achieving and the poorer performing of individual services across the 22 local authorities to benchmarked targets such as:-

- headcount/ productivity from the 'Barony' and 'Greater Manchester' benchmark methodologies;
- collection performance from the analysis of intra-Wales and English peer group authority comparators; and
- best practice processes and practices for CT and NDR from the self-assessment rating against Greater Manchester best practice checklist.

These additional areas for potential collaboration, if adopted, will need to be undertaken (and are likely to require access to a range of support services such as HR, Legal, ICT etc.) within a structured programme of change that may also require a consensus to be reached between the authorities on a number of important issues including:-

Collaboration Options – Additional areas of potential Collaboration (2)

- prioritisation of the various collaboration opportunities;
- any funding and sharing of savings protocols to govern the programme;
- whether these collaborations should be considered separately from, or as part of, any wider 'joined service' operational collaboration options; and
- the approach that should be adopted to unlock these potential options for improving the effectiveness and efficiency of the services

These additional collaboration options include:-

- **Shared improvement to processes, practices & procedures** based upon shared learning and experience.

This can be undertaken:-

- on an end-to-end review of all front and back office processes (which could take a considerable length of time)
- within a more targeted approach to address prioritised areas for improvement, for example:-
 - improvements to recovery and enforcement processes, practices & procedures
 - improvements to the customer contact driven aspects of the service e.g. to reduce avoidable contacts and any failure demand

Collaboration Options – Additional areas of potential Collaboration (3)

Shared Management/'specialist' resources

- The current Wales collaborations already include examples of shared management in Revenues Services which may be worthy of consideration by other revenues services;
- There are other areas in the sharing of 'specialist' resources that have also been considered and adopted elsewhere in other revenues service collaboration reviews although these have not been specifically tested in this feasibility study. Some of these examples may not be feasible due to the local factors in Wales (e.g. geography, distance, size, workload peaks (e.g. 'clashing' recovery/court cycles)) but are shown below:-
 - Joint inspections;
 - Joint court team;
 - Joint recovery;
 - Shared ICT systems support; and
 - Scanning and indexing shared resources.

Collaboration Options – Additional areas of potential Collaboration (4)

Shared Performance Management

The earlier analysis of the CIPFA *Questionnaire 1* responses on staffing identified that :-

- 10 of the local authorities operate a formal performance management (PM) scheme to monitor staff performance and only 4 use a performance management software package to provide data/information to assist with this management function;
- From our experience of other best practice revenues services (including those in a formal managed service contract environment) PM at service, team and individual level is a critical success factor; and
- The joint sharing of current approaches to PM and an evaluation of options for PM software to support this function appears to be an area worthy of more detailed consideration and collaboration.

Collaboration Options – Additional areas of potential Collaboration (5)

Shared/Hosted ICT

- IT outsourcing (ITO) and hosted services and support for revenues services hardware and software are available from a wide range of suppliers (including CAPITA, Northgate & Civica) as well as other generic ITO providers;
- Hosted ICT options could also be provided by an authority for other authorities;
- The current ICT analysis provided as part of CIPFA *Questionnaire 1* responses shows that Swansea currently have their (Revenues) ICT provided under an ITO supply model;
- The analysis also shows a mix of 'service' and 'central' provision of ICT delivery and support; and
- Hosted ICT by either a public-public or public-private partnership model may be an opportunity for future collaboration; any evaluation will also need to consider the need to maintain critical interfaces (e.g. housing/ council tax benefits, LLPG, customer contact management systems etc.) with other council systems.

Collaboration Options – Additional areas of potential Collaboration (6)

Shared Procurement & Commissioning

Joint procurement of goods & services and particularly those in common use within the various revenues service provides an opportunity to use the group buying power to achieve preferential terms/ costs from current and any future suppliers; there are also potential opportunities by the commissioning and implementation of any newly procured goods and services and the sharing of that 'prototype' experience with other joint purchasers to inform their implementations.

These joint procurement & commissioning opportunities could include a range of goods & services including:-

- Bailiff services (although we note that many of these are a 'no cost' service to the authority) – e.g. negotiating common 'SLAs' with the various bailiffs;
- Leaflets etc;
- E-Forms & e-service modules;
- Content design & content management of Revenues related web-pages;
- Scanning and indexing bureau services – including a local authority hosted service;
- Back-office off-site processing resources for shared additional capacity for resilience, backlog, planned back-fill resourcing scenarios; and
- Call centre 'bureau' facilities specifically for revenues services related call handling, which could include delivery hosted by a lead authority.

8. Opportunities for Savings

Opportunities for Savings (1)

This section considers the opportunities for the 22 Welsh authorities to improve the cost of their CT and NDR activities. Specifically, set out here is CIPFA's assessment of the main areas in which authorities can:-

- make potential indicative cost savings; and
- make potential indicative collection rate improvements.

These are an exploration of the improvements in the cost and collection performance of the CT and NDR activities.

Opportunities for Savings (2)

Whilst it is recognised that it may not be feasible in all cases to generate the magnitude of potential savings set out in the following slides, the information is an indication of what potential savings that could be achieved, through either informal collaboration (i.e. knowledge sharing through identifying best practice across authorities), formal collaboration (i.e. joint service) or outsourcing.

It should be noted that the CT and NDR potential savings are predicated on an accurate split of costs between the two functions as reflected in the base information used. From experience of other Revenues Service review projects, we are aware that the degree of operational and organisational integration and 'sharing' of resources between these CT and NDR components within a Revenues Service makes the accurate apportionment of costs and headcount difficult to produce. We would expect this to be recognised in the consideration of the current analysis of opportunities for savings and to be addressed in any future more detailed analysis of opportunities for savings in Revenues Services in Wales.

It is recognised the information is a snapshot at a particular moment in time and does not necessarily provide the level of granularity that authorities will require when faced with specific operational and organisational choices. The level of granularity will need to be included in any outline and full business cases.

It should be noted, that achieving the indicative gross savings requires a change management project/ programme to deliver the savings whilst also maintaining/ improving (collection etc.) performance. This approach will involve costs examples of which are shown in Section 9 of this report.

Opportunities for Savings (3)

The 'basket' of alternative benchmarks used to quantify (£k) potential CT and NDR function cost savings are:-

- 'Barony Benchmark' and 'Greater Manchester benchmark' (see Appendix C) – nationally recognised benchmarks using ratios of FTEs to number of properties/ hereditaments, to identify potential staff cost savings;
- Potential staff and non-staff savings across different cost headings if an authority with higher costs than the Wales average cost per property/ hereditament could reduce the costs to the Wales average cost per property; and

Due to the high cost of outsourcing contracts in England for CT and NDR (compared to Wales), it is not considered appropriate to use the following benchmark:-

- Potential staff and non-staff savings across different cost headings if an authority with higher cost than the England average cost per property/ hereditament could reduce the costs to the England average cost per property/ hereditament.

Opportunities for Savings - CT (1)

Potential staff cost savings if an authority with FTEs higher than the 'Barony Benchmark' could reduce the FTEs to the 'Barony Benchmark'.

	Staff Cost Saving (£'000)
Total	-1,172
Average potential saving per authority	-98

Opportunities for Savings - CT (2)

Potential staff cost savings if an authority with FTEs higher than the 'Greater Manchester Benchmark' could reduce the FTEs to the 'Greater Manchester Benchmark'.

	Staff Cost Saving (£'000)
Total	-916
Average potential saving per authority	-70

Opportunities for Savings – CT (3)

Potential savings if an authority with higher costs than the Wales average cost per property could reduce the costs to the Wales average cost per property.

	Staff Saving (£'000)	Receiving Payments Saving (£'000)	Other Running Costs Saving (£'000)	Central Charges – IT Saving (£'000)	Central Charges – Accom. Saving (£'000)	Central Charges – Other Saving (£'000)	Total Saving (£'000)
Total	-976	-369	-521	-413	-227	-719	-3,225
Average potential saving per authority	-139	-53	-52	-59	-32	-90	-425

The issues surrounding the impact of central charges savings (in this scenario totalling £1,359k) are discussed in section 10 of this report.

Opportunities for Savings - NDR (1)

Potential staff cost savings if an authority with FTEs higher than the "Barony Benchmark" could reduce the FTEs to the 'Barony Benchmark'.

	Staff Cost Saving (£'000)
Total	-831
Average potential saving per authority	-46

Opportunities for Savings - NDR (2)

Potential staff cost savings if an authority with FTEs higher than the 'Greater Manchester Benchmark' could reduce the FTEs to the 'Greater Manchester Benchmark'.

	Staff Cost Saving (£'000)
Total	-1,367
Average potential saving per authority	-62

Opportunities for Savings – NDR (3)

Potential savings if an authority with higher costs than the Wales average cost per hereditament could reduce the costs to the Wales average cost per hereditament.

	Staff Saving (£'000)	Receiving Payments Saving (£'000)	Other Running Costs Saving (£'000)	Central Charges – IT Saving (£'000)	Central Charges – Accom. Saving (£'000)	Central Charges – Other Saving (£'000)	Total Saving (£'000)
Total	-244	-59	-157	-108	-33	-171	-773
Average potential saving per authority	-31	-7	-13	-15	-4	-21	-91

The issues surrounding the impact of central charges savings (in this scenario totalling £312k) are discussed in section 10 of this report.

Further Opportunities for Savings

The previous slides quantified (£) potential indicative savings through the use of benchmarking. Further potential savings could be achieved through formal collaboration (i.e. joint service), and outsourcing in the following areas:-

- Staff rationalisation through economies of scale (e.g. fewer Revenues management overheads);
- Rationalising the amount of accommodation through the co-location of services;
- Cheaper procurement through aggregated demand;
- Rationalisation through sharing common ICT platforms; and
- Lower central charges (i.e. finance, legal, ICT, HR) as a result of rationalisation of staff, and supporting systems/ processes/ practices.

Opportunities to Improve Cash flow – CT and NDR

If an authority with an in year collection rate lower than the upper quartile could increase the collection rate to the upper quartile, there is a potential to increase the 'public purse' cash flow through:

- Increased investment income (although it is acknowledged that there would be a minimal gain based on current interest rates); and
- Reduction in bad debt write-offs (a link between increased collection rates and lower write-offs would need to be evidenced).

9. Costs of Implementation of Collaborative Working

Costs of Implementation of Collaborative Working (1)

Potential savings as a result of collaboration (i.e. informal/ formal collaboration and outsourcing) are included in the previous section. However, there is a limit to the potential cost savings that can be achieved without an upfront and/ or on-going outlay of resources. In most cases, authorities will need to invest or incur costs in order to generate savings. Such investment/ costs include:-

- **Severance costs (one-off)** – costs associated with staff economies of scale. or example redundancy costs, pensions, relocation costs;
- **ICT investment (one-off)** – investment in new or upgraded/ integration of exist ICT platforms;
- **Accommodation (one-off)** – rationalisation of office space/ relocation may incur additional property costs (i.e. lease penalties);
- **Project Management (one-off)** – specialist project management skills may be required to oversee and manage the changes to the service;
- **Specialist staff costs (one-off)** – additional capacity in areas such as legal services, business process analysis, strategic and operational HR, change management, risk management;
- **Training (on-going)** – staff training of new and improvement business processes/ systems; and
- **Performance management (on-going)** – systems and processes that support the production of good quality performance management information.
- **Procurement costs (one-off)** – the costs incurred in the procurement of the various service delivery models

Costs of Implementation of Collaborative Working (2)

Summarised below are the areas identified as potential costs and the extent, in terms of value, they relate to informal collaboration, formal collaboration and outsourcing.

Potential Cost	Informal Collaboration	Formal Collaboration	Outsourcing
Severance costs	Low	Medium	High
ICT investment	Low	Medium - High	Medium - High
Accommodation	Low	Medium - High	Medium - High
Project Management	Low	Medium	High
Specialist staff costs	Low	Medium - High	High
Training	Low	Medium	Medium
Performance Management	Low	Medium - High	High
Procurement Costs	Low	Medium - High	High

The above table illustrates that costs associated with outsourcing are high, they diminish for formal to informal collaborations.

10. Further Considerations of Collaborative Working

Further considerations for collaboration - Financial Case (1)

VfM

The detailed financial case incorporating the associated potential savings and costs will be dependant on the collaboration option(s) selected. Section 3 has highlighted the potential indicative savings that could be realised through collaboration. Significant reductions in costs would be very much a medium to long-term objective.

The amount and profile of costs highlighted in section 9 will be an important consideration when the VfM (including payback) of any collaboration option(s) is evaluated as part of any outline and detailed business case, following on from this feasibility study.

Funding and access to other resources

In most cases, a shared initiative will demand some form of investment in change, both in terms of cash and in-kind resources. The ability to find a suitable funding and resource model – in collaboration with partners – will be essential in making things happen. Steps needed here may include:-

- Ensuring that the business case is robust and can be used as the basis for securing the funds available, whichever route is chosen (both from internal sources or external grant funding);
- Checking whether revenue budgets are sufficient to meet the costs of change and, if not, understanding what capital funding options exist;
- Exploring the options around business and partnership models, to see which will best meet the funding constraints and appetite for risk; and
- The MTFP will be informed by the investment appraisal and outline/ full Business Case, in order to recognise their impact on the councils' resources over the medium term.

Further considerations for collaboration - Financial Case (2)

Invest to Save Fund

The Welsh Government has announced a minimum of £45million for investment in new projects over the next three financial years. The fund supports the introduction of new and/ or proven ways of working so that public services become more efficient and effective. The fund will target strategic projects, in particular those that:-

- lead to the release of significant cash-releasing savings;
- deliver citizen-focused services; and
- support key aspects of the Welsh Government's public service efficiency and wider improvement agenda.

Investments made from the fund are fully repayable but there are no interest charges and there is flexibility on the payback period.

We consider the Invest to Save Fund is an option to consider in relation to pump priming CT and NDR collaboration in view of the supporting funding guidance which provides an example of the type of project that the funding would support i.e. *'collaborative projects that deliver gains through the re-engineering of business processes that improve front-line services'*. However, the timescales for the current round of applications for funding is tight:-

- Round VII (funding for 2013-14): opens 5 November 2012. Expressions of interest to be submitted by 7 January 2013.

Further considerations for collaboration - Financial Case (3)

Central Charges

The impact of collaboration on central charges is often overlooked or ignored, with central charges more often than not, being reallocated to other service areas, rather than being saved. This naturally increases the net cost of other service areas and could be viewed as inequitable.

Central charges should be subject to the same scrutiny as direct CT and NDR function costs and should involve the relevant budget holder(s) of central support services. Central charges should be charged, allocated or apportioned across users and other beneficiaries in accordance with the following seven general principles:

- **Complete recharging** – all central charges must be fully recharged to service expenditure (with the exception of charges defined as NDC and CDC);
- **Correct recipients** – correctly identify who should receive charges;
- **Transparency** – recipients must be clear what each recharge covers;
- **Flexibility** – recharge arrangements must be flexible to allow for changes;
- **Reality** – recharges should result in the distribution of actual costs which has the basis of fact;
- **Predictability/ Stability** – recharges should be as predictable as possible; and
- **Materiality** – due regard should be made to materiality to minimise the costs involved in running the recharge system.

Further considerations for collaboration - Financial Case (4)

Summarised below are the potential CT central charge savings using benchmarking, identified in Section 8.

Benchmark - CT	Central Charges – IT Saving (£'000)	Central Charges – Accom. Saving (£'000)	Central Charges – Other Saving (£'000)	Total (£'000)
Potential savings if an authority with higher costs than the Wales average cost per property could reduce the costs to the Wales average cost per property	-413	-227	-719	-1,359

Further considerations for collaboration - Financial Case (5)

Summarised below are the potential NDR central charge savings using benchmarking, identified in Section 8.

Benchmark - NDR	Central Charges – IT Saving (£'000)	Central Charges – Accom. Saving (£'000)	Central Charges – Other Saving (£'000)	Total (£'000)
Potential savings if an authority with higher costs than the Wales average cost per hereditament could reduce the costs to the Wales average cost per hereditament	-108	-33	-171	-312

Further considerations for collaboration - Financial Case (6)

The potential central charge savings on the previous two slides are predicated on the seven general principles discussed earlier, particularly 'correct recipients' and 'reality', being followed. In practice this may not have happened and as such the central charge cost base for each of the authorities will not be correct.

We would therefore suggest that the basis for the central charges to CT and NDR functions are analysed and any corrections made to establish a robust cost base upon which potential central charge cost savings can be calculated.

Further considerations for collaboration – Technical Considerations

Impact on Grant

The impact on grants as a result of collaboration in the delivery of CT and NDR (ring-fenced and non ring-fenced), is difficult to determine due to the independent factors that are used to calculate grant entitlement for individual authorities. The Grants that may be affected in terms of the total quantum are:-

- Revenue Support Grant (RSG);
- Redistributed non-domestic (business) rates; and
- NDR Admin Grant.

In particular NDR admin grant, which is a separately identified grant, may be subject to reductions if there is a significant reduction in the level of NDR function gross costs. In view of this the WLGA may wish to lobby the Welsh Government for the admin grant to be subsumed into RSG.

Potential reductions in RSG and redistributed non-domestic (business) rates is harder to predict. The grant entitlements are determined by a number of independent factors (including assumed collection rates) and as such may be affected in the medium to long term by significant reductions in gross costs and increased collections rates.

It should be noted that the outcome of a recent review may affect the quantum of business rates retained by local authorities. The Business Rate Wales Review contains recommendations for change including enabling local authorities to retain a proportion of the income they generate from business rates.

Further considerations for collaboration – the commercial case (1)

The detailed scoping of the commercial case will be very dependent upon the collaboration option(s) selected and whether the release of potential savings from a 'levelling up' across the 22 vertical revenues services is undertaken in parallel with any consideration of the more formal 'shared services' options framework.

In general terms you could start the 'levelling up' project fairly quickly and begin to deliver improvements in the effectiveness and efficiency of the services, particularly if a prioritised review of processes and performance is adopted.

It is also worth mentioning that any plans for change within revenues services and CT in particular will need to recognise the potential impacts (and risks) to the CT service from the roll out of the new universal credit scheme.

Timelines

From the lessons learned and critical success factors reported from established revenue service collaborations there are important messages about both the initial set-up and implementation of collaborations.

Further considerations for collaboration – the commercial case (2)

Full service collaboration is a complex programme of change and would typically include subject matter experts from a number of specialisms including:-

- Programme Management;
- Legal;
- HR/ Organisational Design;
- Property/ facilities;
- Finance modeller;
- Procurement;
- ICT;
- Solution architects;
- Subject Matter Experts/ Solution Architects;
 - Revenues
 - Customer Services
- Business Analysts; and
- Communications.

Further considerations for collaboration – the commercial case (3)

We have provided a table of the typical processes involved in the lead-in stage (only) to collaboration projects; as you will see from the analysis of existing revenues collaborations the majority of these have involved District Councils and most of the partnerships consist of 2-3 combined revenues services, so the scale and complexity potentially involved in Wales (involving 22 local authorities) is somewhat untried.

Collaboration - formal options consideration- Lead-in tasks	Estimated elapsed time
Develop Programme Management structures	4-6 weeks
Develop baseline of service information (e.g. headcount, staffing levels, budgets/costs, collection performance etc.) for initial benchmarking of current service disposition for use as baseline against options and progress can be measured	4-6 weeks
Develop framework for detailed evaluation of improvement options for Revenues Services in Wales	6-8 weeks
Options consideration (to include Soft market testing)	8-12 weeks
Test options with potential LAs to determine their eagerness to participate	4-6 weeks
Define preferred options	4-6 weeks
Formally agree preferred options & action plan	4-6 weeks
Detailed business case	4-6 weeks
Formal agreement to engage	6-8 weeks
Commence formal engagement	

Typical timescales for other revenues shared service projects suggest 12 months for the initial formation/ go live stage and a further 12 months for the (front-loaded) transformation stage.

We would expect the informal collaboration & 'levelling-up' option to have a reduced set of timescales for the lead-in, formation and go-live stages and a similar 12 months elapsed period for the full transformation stage to be completed.

Further considerations for collaboration – the commercial case (4)

Potential Partners/suppliers

The potential partners and/or suppliers that may be required to be involved will depend upon the Collaboration approach adopted but could include:-

- Current software suppliers;
 - CAPITA(Academy)
 - Northgate
 - Civica (OPENRevenues)
- Current DIP/EDMS suppliers;
 - Northgate/Anite
 - Civica
 - Open Text
 - iDOX
- Change Management consultants;
- Process;
- ICT Network expertise;
- ICT hosting providers;
- Benchmarking consultants;
- Independent/ external revenues services subject matter experts; and
- Any selected new 'innovation' providers (e.g. Govtech, RB Performance etc.).

Further considerations for collaboration – the commercial case (5)

Should the options consideration include evaluation of the potential for engagement with outsourcing partners for any proposed target operating models for revenues services, or even for an initial soft market testing of outline options, then the potential partners could also include:-

- Agilisys;
- Arvato;
- BT – Global Services;
- CAPITA;
- Civica;
- CSC;
- IBM;
- Liberata;
- Mouchel;
- Serco; and
- Steria.

Further considerations for collaboration – the commercial case (6)

Opportunity cost of delivery changes

The potential opportunity cost of delivery changes could potentially include:-

- Other scheduled or 'in-flight' projects being delayed or cancelled;
- Potential impacts on particular local authority revenues services improvement and cost reduction plans as they have to conform with the collaboration plans/timescales;
- Additional commitment of internal resources (e.g. HR, legal, ICT etc.) in supporting any collaboration plans;
- Potential opportunity costs caused by disruptions to services;
- Potential opportunity costs for those local authorities who may be considered as 'donors' rather than 'beneficiaries' in the collaborative approach to improving services; and
- Potential impacts on the CT benefits operational interfaces from the potential segregation of revenues services from the typical revenues and benefits operational and organisational structure.

Further considerations for collaboration – the commercial case (7)

The customer case

The data analysis of the customer contact aspects of the revenue services has looked at volume metrics and details on the configuration and scope contacts handled around the customer contact elements of the CT and NDR services at the various authorities; there has not been analysis of the quality aspects of the service.

That analysis of the current customer contact related data shows:-

- Varying levels of calls answered for the individual CT services from between a low of 34% (66% abandoned rate) to a high of 100% of calls offered being answered;
- Different levels of contacts/property which for the high levels of contact per property may indicate failure demand/avoidable contacts;
- Differences in the configuration and responsibility (between corporate and service) for face-to-face and telephony contact handling; and
- Different levels (from a brief survey of council web-sites for “revenues on-line forms”) of sophistication in the on-line forms in use – from word/ PDF forms that need to be printed off, completed and returned by the customer to the use of sophisticated e-forms that capture the customer completed data and pass it to the back-office database systems.

Further considerations for collaboration – the commercial case (8)

The customer contact functions of shared service revenues services operations for both inter authority and outsourced service operating models can have the following characteristics:-

- Continued local delivery of face-to-face contact handling for the revenues services;
- Continued local handling of telephone calls (either as part of a corporate or service delivered telephone operation); **or**
- Remote handling of telephone calls sometimes on behalf of a group of revenues services

An example of the latter model from the revenues service outsourcing marketplace was the target operating model adopted by Liberata for their revenues and benefits contracts. Their model had the telephone calls for a variety of CT services (including at the time North Somerset, Swindon, Bromley, City of London, Southwark Councils etc.) handled by their telephone call handling operation in Sheffield. Their target operating model also involved the re-engineering of the end-to-end processes (using Six Sigma experts and revenues practitioners) and the implementation of common best practice process models across all of their revenues services contract operations.

Further considerations for collaboration – the commercial case (9)

The collaboration options for both the informal collaboration/ incremental sharing and inter-authority shared service models would both normally include a similar development of best practice business processes.

This process review would provide an opportunity:-

- to re-design processes, including looking at the effectiveness of processes and practices from a customer perspective;
- to seek to identify avoidable contacts and failure demand within the current model and introduce a revised process model to reduce and eliminate these avoidable processes;
- to improve first point of contact resolution across all channels;
- to review process and procedures to enable a consistency and commonality in the delivery of customer contacts irrespective of the contact channel chosen by the customer;
- to re-design e-services to enable increased customer self-fulfilment and customer contact form automation by the use of e-forms;
- to ensure that the front and back office 'layers' have clarity around responsibility boundaries, hand-offs etc;

Further considerations for collaboration – the commercial case (10)

- to ensure that there are clearly defined protocols and practices for the handling of complaints;
- to ensure that there are appropriate performance management mechanisms in place to provide customer contact information for use in resource planning, resource management, 'agent' performance and the contact resolution levels;
- to identify opportunities for the selective channel shift of customer contacts;
- to define customer contact performance levels that measure efficiency factors such as time to answer/respond, abandon rate etc. as well as effectiveness measures such as resolution rates and customer satisfaction (this latter factor can be complicated in a revenues service delivery scenario due to the nature of the contacts often being about paying money);
- to enable the consideration of various options for the handling of revenues services telephone contacts including the opportunity to develop a hosted option; and
- to enable the consideration of remote processing support options from either an inter-authority 'processing grid' or similar options from commercial providers to avoid backlogs.

Further considerations for collaboration – the commercial case (11)

Performance case

As part of the benchmarking and analysis of current performance across the revenues services in Wales, that included selective comparison with other UK CT and NDR services, we have identified potential opportunities for improvement in performance and performance indicators that could be achieved by a 'levelling-up' project work-stream.

For this revenues services collaborations feasibility study we have focused on *collection performance* key performance indicators as the data available enabled that to be undertaken. We have also undertaken some outline analysis of the customer contact volume metrics including the telephone calls presented/ answered/ abandoned rates, although the quality and satisfaction levels aspects have not been analysed.

We would envisage that any decision to undertake a 'levelling-up' project within the collaborations programme would include a defined project outcome that the objectives would specifically include a focus on maintaining and improving published performance indicators; in addition to the analysis of in-year collection performance for CT, you will see from the collection performance analysis that we have also included an analysis of the 'unpublished' combined collection performance that analysed the collection performance being achieved for the collection of in-year and previous year's debits outstanding.

Further considerations for collaboration – the commercial case (12)

The levelling-up project work-stream would potentially include the following components to assist in maintaining and improving published performance indicators:-

- Revised processes, practices and procedures to enable more effective and efficient service delivery as the platform for performance improvement (to the agreed collective target) and subsequent sustainable performance;
- Sharing of 'best practice', processes and procedures between the various Revenues Services and the importation of 'what works' service components;
- Selection of products/ services from the 'emerging trends to enable improvement in effectiveness, efficiency and service performance outcomes;
- Potential adoption of a common performance management infrastructure and software to monitor and manage performance across services, teams and individuals;
- Customer contact 'layer' improvements as part of the process review – including the identification of avoidable contacts and failure demand in the current process models; and
- Service level agreements with key internal (such as customer services) and external partners (such as bailiffs) to ensure that they are aware of the expectations placed on them to meet the defined service objectives.

Further considerations for collaboration – the commercial case (13)

By way of example of the potential link between process and performance - from experience at another large local authority revenues service (150 FTE) a structured review of their current processes and practices identified differences in processes and practices across their 8 CT teams due to process and procedural 'drift' from the documented procedures. By the adoption of revised processes, procedures (including in the provision of clear guidance around the negotiation of special arrangements with debtors) and controls to monitor adherence/ detect exceptions, the operation achieved a 1% improvement in in-year CT collection, albeit from a previous position of lower quartile collection performance.

Further considerations for collaboration – the commercial case (14)

Staffing issues

The potential impacts on staff will, to some extent, be dependent upon the options that are selected from the outline feasibility study for more detailed consideration.

In order to provide a degree of framework to identify the potential impacts on staff we have assumed three potential options:-

1. Informal collaboration/ Incremental Sharing;
2. Virtual (Revenues System based) Shared Services; and
3. Outsourcing.

There can of course be variants even within these three examples of possible collaboration service delivery models, including variants that have a scope that covers CT and/ or NDR.

In general terms the (perceived) impacts on staff are likely to increase as you move through options 1 to 3. Until such time as there is more clarity around your preferred collaboration options then the potential issues can only be considered as typical examples of impacts rather than specific impacts.

Further considerations for collaboration – the commercial case (15)

Option 1 - Informal Collaboration/ Incremental Sharing - is likely to have potential impacts on staff that includes:-

- Potential changes to working practices;
- Potential changes to the performance management structure and culture in which the services operate;
- Potential changes in the shape of the service delivery model (e.g. how/ who/ where aspects of customer contact handling);
- Potential changes to the organisational structure in which they operate; and
- Potential reductions in current staffing levels if the move to a benchmark headcount is adopted

Option 2 - Virtual (Revenues System based) Shared Services - in addition to the above potential impacts this option might include impacts on staff from:-

- Any potential changes to the current operating models for CT and/ or NDR;
- Any potential changes to the management of the CT and/ or revenues services; and
- Should the virtual shared services models also include the re-design and relocation of services or service components (e.g. say, telephony or scanning and indexing etc. being undertaken for the 'partnership' by a lead authority) then this would also impact on staff.

Further considerations for collaboration – the commercial case (16)

Option 3 – Outsourcing - in addition to the above potential impacts this option might include impacts on staff from:-

- Potential changes to current local authority employment from the transfer of staff to a new employer/ contractor typically under a TUPE or secondment employment model; and
- Potential concerns about whether the services and employment opportunities will be retained locally.

Further considerations for collaboration – the commercial case (17)

Risk Assessment & mitigating actions

This risk assessment has been undertaken using both local (Wales) specific and the typical risks encountered in the consideration and implementation of collaborations/partnerships.

Any programme/project governance structure for the management of the collaboration programme should include a risk management plan.

The key risks and mitigation steps typically encountered in collaboration projects are shown in the tables in the following slides.

Further considerations for collaboration – Risk Assessment & Mitigating Actions (1)

RISK		Mitigation
Failing to gain support from the top	Support from elected members and/or senior management is weak, making it difficult win commitment to the vision for change, or to gain access to the resources needed to make change happen	Before committing significant resources, ensure that the vision and business case for change are compelling. Invest time in understanding the concerns of those at the top, providing evidence and explanations that solidify their support
Lack of experience of partnership working	There is little cross-organisational/inter-departmental collaboration, with (local) interests remaining entrenched and with no commitment to work in partnership. Elected members are also reluctant to move ahead because of concerns about perceived loss of control or the political fall-out if collaborations fail	Invest in effective communications and team-building, creating a shared vision of the future and explaining the shortcomings of continuing with the status quo. Create staff incentives – and, if necessary, sanctions – that encourage the new forms of behaviour that are needed. Ensure that elected members across councils have plenty of opportunities to meet and explore common ground, with attention focused on the mutual interests of their citizens. Explain the governance structures and service management mechanisms that can be used to enable each set of councillors to have control over the partnership’s operations

Further considerations for collaboration – Risk Assessment & Mitigating Actions (2)

RISK		Mitigation
Staff turnover increases in critical areas	Staff turnover increases because of uncertainty about the future. Loss of staff in areas impacted by change means a shortage of knowledge and experience for handling the transition to the new arrangement	Ensure all staff – especially those in the focal areas – are kept informed about change, have a clear sense of what the change is about and why it’s happening, and have an opportunity to influence its direction. Be clear about the way staff transfers will be handled and – where necessary – create incentives for staff to see the change process through if job losses are involved (e.g. enhanced redundancy terms)
Knowledge transfer is poor or incomplete	Knowledge transfer to the SSA is done poorly or incompletely leading to errors in delivery; time is then spent to recover the situation and repair damaged customer relations	Ensure business and systems analysis is properly funded, with staff engaged throughout. Seek to draw out and document tacit knowledge acquired in operating the ‘as is’ service and ensure this is properly reflected in the way the new service operates and is supported

Further considerations for collaboration – Risk Assessment & Mitigating Actions (3)

RISK		Mitigation
Negative reporting damages confidence	Negative media reporting leads to loss of customer and stakeholder confidence. The need to satisfy unhappy stakeholders limits future strategic options for change	Ensure that media and stakeholder relations are professionally managed, supported by an effective communications plan. Invest time and energy with sceptical groups to explain the benefits of change and the measures put in place to make sure it is being well-handled
Time and energy are diverted into repairing labour relations	Senior management time and energy has to be spent repairing damaged labour and community relations, rather than focusing constructively on future plans for improvement	Leading from the top, work with HR professionals, as well as staff representatives and unions, to understand staff concerns in advance of change and explain – where possible – the benefits that they will gain from it. Ensure that staff are a key part of the stakeholder and communications plans

Further considerations for collaboration – Risk Assessment & Mitigating Actions (4)

RISK		Mitigation
Processes and technology	Processes and technology requirements are poorly understood, requiring extra time and expense to create satisfactory service designs and delivery systems	Invest in professional business and systems analysis, ensuring that staff and users are fully involved, with suppliers and subcontractors being fully briefed on needs and quality criteria
The scope of change is too narrow or too broad	The project's scope is wrong – services covered are either too narrow to deliver a gain worth the investment of resources, or so wide as to make change too complex and cumbersome	Start by understanding all the drivers and opportunities for change, but break these down into a portfolio of projects that can be approached in a modular way, maximising potential project synergies. Start implementation with projects that are well understood, where the complexities are reasonably low and benefits near-term

Further considerations for collaboration – Risk Assessment & Mitigating Actions (5)

RISK		Mitigation
The benefits of change are over-estimated or not realised	Benefits have been over-estimated prior to change (including not taking into account an off-setting of savings from authorities sharing their best practice/ processes and taking a reduction in performance i.e. reduction in collection) during the short-term transition period) or not realised during change, making the business case invalid	Ensure that the business case is built on robust measurements of baseline costs and performance (including potential impact on collection rates), and that the costs of change and expected returns are robustly calculated and held open to challenge. Bring experienced project and change managers on board, with a strong focus on active benefits realisation

Further considerations for collaboration – Risk Assessment & Mitigating Actions (6)

RISK		Mitigation
Failure to address redeployment and redundancy issues early on, leading to uncertainty and muted support	Sometimes change may have a potential downside, such as redundancy, or create concerns about the nature of redeployments. If these are not dealt with early on they can create anxiety and resistance that will negatively affect the course of the initiative	Understand the consequences as early as possible for individuals and groups and communicate with them about it. In the absence of clarity of consequences, explain to people the process that will be gone through, the basis on which decisions will be made, and how and when they will be informed
Cost overruns and delays – particularly due to unanticipated/ hidden costs	Where costs overrun original budgets, the whole business case for change may be negated, with the benefits that do occur taking longer to come through than planned	Ensure that baseline costs, together with the anticipated costs and savings from change, are rigorously calculated – and ideally held open to independent validation and benchmarking. Ensure that implementation is rigorously managed, with close attention to costs and early warnings of any overruns

Further considerations for collaboration – Risk Assessment & Mitigating Actions (7)

RISK	Mitigation	
<p>Inadequate financial planning and tax exposures</p>	<p>Unless expert attention is paid to the financial side of change, the price of investments and timing of returns can lead to higher than expected costs. Liabilities may also exist on the tax side that were not anticipated in the initial business case, undermining the financial case for change.</p>	<p>Ensure that expert financial input is made into the development of the business case and that this is in line with the financial regulations of all parties to the change. Ensure tax expertise is part of this, if necessary bringing in external people. Make sure that the legal basis of the collaboration minimises tax exposure (excepting that other factors will also determine which vehicle is chosen)</p>
<p>Policies and compliance regulations frustrate progress or create unanticipated costs</p>	<p>Despite a strong business rationale for change, the process that must be gone through creates delays and costs that were not anticipated at the start.</p>	<p>Bring in legal experts, or talk to people at reference sites, to check whether legal requirements have been properly understood, if there are 'smarter' ways of dealing with them, or whether there are different approaches (such as alternative legal vehicles or procurement routes) that may be better. Whichever approach is adopted, make sure that legal and procurement resource is invested early on to do this, so that the full costs and time implications are understood and can inform the business case</p>

Further considerations for collaboration – Risk Assessment & Mitigating Actions (8)

The specific risks for this revenues collaboration opportunities review for Wales include:-

RISK		Mitigation
Revenues only focus	The scope of this review is specifically focused on Revenues although many of these services currently exist within a Revenues & Benefits organisational & operational structures to reflect the close linkage between CT and Benefits.	Ensure that the potential impacts of this Revenues only Collaboration focus from an organisational, operational, systems and customer perspective are fully explored as part of any more detailed options consideration.
Universal Credits	The current Housing Benefits legislation is being replaced (with effect from 1 April 2013) by a new Universal Credits regime; the details of which are still being finalised. From experience of previous changes in Benefit schemes this is likely to have an adverse impact on Benefits service operations and performance.	Ensure that the planned implementation timescales and resultant potential impacts are evaluated and captured for inclusion in any more detailed options consideration.

Further considerations for collaboration – Risk Assessment & Mitigating Actions (9)

The specific risks for this revenues collaboration opportunities review for Wales include:-

RISK		Mitigation
Localised Support for CT	<p>Council Tax Benefit Scheme will end on 31 March 2013, and will not continue beyond that date. Details of the replacement scheme is being developed. From experience of previous changes in Benefit schemes this is likely to have an adverse impact on Benefits service operations and performance.</p> <p>HB administration is being moved into universal credit – see previous slide.</p>	<p>Ensure that the planned implementation timescales and resultant potential impacts are evaluated and captured for inclusion in any more detailed options consideration.</p>
Business Rates Wales Review	<p>A Business Rate Review has been undertaken by Professor Brian Morgan. A considerable amount of evidence has been received. The report published in June 2012 contains recommendations for change including the case for the devolvement of business rates to Wales and enabling local authorities to retain a proportion of the income they generate from business rates.</p> <p>http://wales.gov.uk/topics/localgovernment/financing/businessrates/publications/120612brrview/?lang=en</p> <p>The recommendations in the report will be considered by the Welsh Government who will provide a response later this year.</p>	<p>Ensure that any potential future implementation timescales and resultant potential impacts are evaluated and captured for inclusion in any more detailed options consideration.</p>

Further considerations for collaboration – Risk Assessment & Mitigating Actions (10)

RISK	Mitigation	
Accuracy & timeliness of data	<p>This feasibility study has been based upon operational, costs and performance data relating to Financial Year 2010-11 supplied as part of the CIPFA Benchmarking service; some of the Welsh authorities were new to this data gathering process and this may have affected the accuracy and completeness of the data supplied.</p>	<p>Understand the limitations in the use of data for 2010-11 in the evaluation of this feasibility study and ensure that any more detailed options consideration includes the appropriate mechanisms to gather baseline data that reflects the current CT and NDR services</p>
Size & scale	<p>The potential scale involved in the review of Collaboration Options for the 22 Unitary Authority Revenues Services is larger than any previous options (the aborted <i>Eastern Counties Revenues & Benefits</i> proposed partnership (sponsored by the East – Regional Centre of Excellence funding) possibly being the closest in size) and larger than any current Revenues Collaborations.</p>	<p>Ensure that the potential scale and manageability of any proposed Revenues Collaborations (and in particular shared service models) are considered in any detailed options consideration.</p>

11. Conclusions

Conclusions (1)

The activities within the revenues functions across the 22 local authorities in Wales are currently delivered principally as stand-alone entities with limited collaboration, although there are already examples of a degree of collaboration amongst some of the revenues services in North/ Mid Wales for training, shared management, single person discount reviews etc.

From the various analyses that we have undertaken there is a high level of variation across CT and NDR in the operational and financial performance of these services.

Within the group of 22 local authority revenue services there is evidence of a mosaic of potential exemplar performance, costs, processes and practices that if used as a target for collaborative 'levelling-up' would potentially release substantial savings and increases in income collection.

The options considered for potential collaborative service vehicles during this feasibility study have resulted in two main options (which may not necessarily be mutually exclusive – a number of the current formal revenues collaborations initially started as informal collaborations) that should be taken forward for further consideration:-

- **Informal Collaboration/ Incremental Sharing** – A cross-Wales managed programme of change and improvement to deliver a 'levelling-up' of the CT and NDR services through a number of work-streams (including performance, improved (front & back office) processes, joint procurement & commissioning, implementation of best practice, sharing of expertise etc.); and

Conclusions (2)

- **Formal Collaboration** – having considered the various national/ regional etc. options we have discounted the single national option due to (too large) scale issues and lack of commonality across the ICT platforms which is one of the CSFs reported from the existing Revenues Collaborations.

This detailed analysis of the current CT and NDR service landscape suggests that a 'shared/ joint service' option for CT and/or NDR with partnership(s) clusters based around core ICT systems (e.g. Northgate, Capita and Civica (1 authority)) and commonality of DIP/ EDMS systems would be a feasible option to consider in more detail.

We do not consider outsourcing of the revenue services to be an option currently, as the potential indicative savings that have been identified can be delivered as savings to the Councils through the informal/ formal inter-authority models above. The outsourcing option could result in these savings being passed as current service base-line budgets (and subsequent potential profit) against which commercial providers would base their bid/ financial model as part of the typical OJEU outsourcing financial case evaluation by the client. You may, however, wish to seek soft market testing responses from outsourcing companies as part of your development of a more detailed outline business case for revenues collaboration options.

A number of areas have been identified in this review in which individual CT and NDR services could potentially achieve costs savings, improved income collection and improvements to the effectiveness of the services. These outline options will need to be considered in more detail and granularity in your development of any outline business case.

12. Appendices

Appendix A

Local Authorities Participating in this Study

Local Authority	Regional Footprint Group	Abbreviation
Anglesey	North Wales	ANG
Blaenau Gwent	Gwent	BG
Bridgend	Western Bay	BRI
Caerphilly	Gwent	CAE
Cardiff	Cardiff & Vale	CAR
Carmarthenshire	Mid & West	CAM
Ceredigion	Mid & West	CER
Conwy	North Wales	CON
Denbighshire	North Wales	DEN
Flintshire	North Wales	FLI
Gwynedd	North Wales	GWY
Merthyr Tydfil	Cwm Taf	MT
Monmouthshire	Gwent	MON
Neath & Port Talbot	Western Bay	NPT
Newport	Gwent	NEW
Pembrokeshire	Mid & West	PEM
Powys	Mid & West	POW
Rhondda Cynon Taf	Cwm Taf	RCT
Swansea	Western Bay	SWA
Torfaen	Gwent	TOR
Vale of Glamorgan	Cardiff & Vale	VOG
Wrexham	North Wales	WRE

Appendix B

Welsh Index of Multiple Deprivation – Income Related Benefits factor

Key:

1 represents High Deprivation

22 represents Low Deprivation

WLGA WIMD DI Group	LA
1	Blaenau Gwent
2	Merthyr Tydfil
3	Neath Port Talbot
4	Rhondda Cynon Taff
5	Caerphilly
6	Newport
7	Swansea
8	Torfaen
9	Cardiff
10	Denbighshire
11	Carmarthenshire
12	Bridgend
13	Conwy
14	Angelsey
15	Pembrokeshire
16	Gwynedd
17	Wrexham
18	Vale of Glamorgan
19	Flintshire
20	Ceredigion
21	Powys
22	Monmouthshire

Appendix C

'Barony' and 'Greater Manchester' Benchmarks (1)

Barony Benchmark

The 'Barony Benchmark' was developed in the mid-nineties as part of the Barony Consulting Groups 'Competitive Review' service for reviewing the 'competitiveness' of revenue services during the compulsory competitive tendering (CCT) regime. It was developed by one of the CIPFA consultants working on this WLGA project and has been successfully used in over 100 revenues benchmarking reviews for local authorities (including in developing in-house bids) as well as by a number of commercial BPO providers as part of their baseline benchmarking of revenues services that are being formally outsourced or as part of a soft market testing exercise.

The original approach involved the collection of detailed service metrics and the analysis of that data to arrive at how many 'inputs' were required to be undertaken in the service in a year – an 'outputs' productivity measure of 60 items per person/ day (and grossed up to an annual total by using 210 productive days of 12,600 outputs per annum/ person) were then applied to the inputs to arrive at a headcount requirement with added supervisor resource based upon a span of control of 1:11. After having undertaken this detailed analysis of a wide range of revenue services (and observed services operating on a sustainable basis at this headcount levels), a 'Barony-lite' calculation based upon 3300 properties/ FTE was adopted and has been used in this analysis.

Appendix C

'Barony' and 'Greater Manchester' Benchmarks (2)

Greater Manchester Benchmark

The 'Greater Manchester' benchmarking methodology is one of the outputs from the Greater Manchester (GM) Benchmarking Partnership set up by the regional group of revenues (and benefits) services around Manchester and is based upon evidence gathered by that partnership over a number of years. It uses a similar approach of 'property caseload per FTE' that underpins the Barony approach, but it also incorporates a weighting based upon Deprivation Index grouping.

Having used these two approaches to identify a 'commercial' headcount for each of the 22 services, we have then compared that target headcount level with the existing headcount to identify any variance and then applied the average staff costs to identify potential, indicative staff cost savings if the 'commercial' headcount was adopted – see section 8.