



WEST NORTHAMPTONSHIRE COUNCIL CABINET

6 DECEMBER 2022

**CABINET MEMBER RESPONSIBLE FOR FINANCE: COUNCILLOR MALCOLM
LONGLEY**

Report Title	Revenues and Benefits Single Software System
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Contributors/Checkers/Approvers

West MO	Cath Whitehead	28/11/22
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List of Appendices

None

1. Purpose of Report

- 1.1. This report provides members with an overview of the multiple software systems that are currently in place across the Revenues and Benefits service, outlines a proposal to introduce a single system for the service and requests Cabinet approval for the procurement, purchase and implementation of a single Revenues and Benefits software system for West Northamptonshire Council.

2. Executive Summary

- 1.2. Revenues and Benefits provides one of the largest customer facing services of the Council comprising of the administration and operation of the Council's Council Tax, Business Rates and Benefits statutory services as well as the Debt and Money Advice services, inspections to maximise income and recovery of overpaid Housing Benefit.
- 1.3. On vesting day, the service delivery was complex with three different service delivery models all with very different staffing structures. Following a full options appraisal and a business case, it was agreed to bring the service back in house. Following a staffing restructure, a new in-house team became operational from 8 November 2021.
- 1.4. The Revenues and Benefits team is currently working across multiple software systems. These are the legacy systems from Daventry District Council, Northampton Borough Council and South Northamptonshire Council. This is operationally inefficient and introduces challenges and risks around the ability to produce consistent information including provision of statutory statistical returns as well as general compliance, value for money and good practice.
- 1.5. The service will gain productivity efficiencies from a single suite of software systems that can be accessed in the same way from any location. This will also allow harmonisation of processes, bringing the teams together to deliver efficiencies and a much-improved service to our customers.
- 1.6. Members are asked to consider the content of this report and to approve the proposal to procure, purchase and implement a single Revenues and Benefits software system for the service.

3. Recommendations

- 3.1 It is recommended that the meeting:
 - a) Note the contents of this report.
 - b) Approve the procurement, purchase, and implementation of a single software system for Revenues and Benefits.
 - c) Give delegated authority to the Executive Director for Finance to take any further decisions and actions required to procure and implement the new system in consultation with the Portfolio Holder for Finance.

4. Reason for Recommendations

The Council will gain productivity efficiencies from a single software system. It will also allow for harmonisation of processes and procedures and will bring the team together to deliver efficiencies and a much-improved service.

5. Report Background

- 5.1 Revenues and Benefits provides one of the largest customer facing services of the Council. These services include:
- Housing Benefit and Council Tax Reduction support to over 31,000 households
 - Council Tax billing and collection for over 178,000 households
 - Business Rates billing and collection for over 12,000 households
 - Collection of the Business Improvement District (BID) Levy for Northampton Town Centre and Brackmills
 - Delivery of a Debt and Money Advice support to residents.
- 5.2 The Revenues and Benefits service currently accesses multiple software systems from the legacy authorities of Daventry District Council, Northampton Borough Council and South Northamptonshire Council, as set out below:

Current Revenues and Benefits systems

System	NBC area	DDC area	SNC area
Council Tax and Benefits system	NEC (Northgate)	Capita	Capita
Business Rates system	Capita	Capita	Capita
Customer Portal	NEC	Capita	Capita
Online forms	NEC	Capita	Capita
Document Management system	Civica 360	NEC - Anite	NEC - Enterprise
Document production	Planet Press	Planet Press	Pro-Print

- 5.3 This is operationally inefficient and introduces challenges and risks around the ability to produce consistent information including provision of statutory statistical returns as well as general compliance, value for money and good practice. The service will gain productivity efficiencies from a single suite of software systems that can be accessed in the same way from all locations.
- 5.4 A full appraisal has been completed to assess the options for the main back-office processing system.
- 5.5 The following areas are out of scope for this and will be considered at a later date:
- Document Management Systems – Civica 360, NEC Anite, and NEC Enterprise
 - Document production software – Planet Press and Pro-Print

6. Issues and Choices

Issues

West Northamptonshire Council Revenues and Benefits team has been designed to operate as a single team however currently there are a number of challenges:

- Working across multiple systems, on different computer networks, requiring multiple logins does not allow the service to operate as intended.
- The customer information and experience is disjointed due to multiple customer portals and forms being used currently. Customers in each of the areas currently use different self-service platforms, and the way they self-serve is different as a result of this. In addition, there are three sets of customer portals and forms which need to be maintained.
- Access to e-billing depends on which area you live in; currently only people living in the former South and Daventry areas are able to access their Council Tax and Business Rates bills online.
- Critical and time-consuming activities such as subsidy claims, and annual billing must be done multiple times.
- Freedom of Information (FOI) requests must be done in three places.
- Management reports and statistics are generated from multiple systems which must then be brought together.
- Staff flexibility is an issue, as there is currently limited ability to move people.
- Access to the systems from the varying work locations is complex.
- Limited access to the Daventry systems due to users needing to log into a physical asset (desktop) located in the Daventry offices. Single assets are currently being shared by multiple users, leading to staff becoming frustrated and disillusioned.
- System upgrades are required 4-5 times each year, this work is currently being duplicated over the three areas.
- Current set-up puts extra strain on the service leading to the need to employ temporary staff and does not allow for true harmonisation of processes which will lead to productivity and financial benefits.

Proposed change

- 6.1 The need for a single software system with a single log-in with access from any location is clear. There are currently three mature Revenues and Benefits software systems in the market, West Northamptonshire currently use two of these, the NEC (Northgate) system and the Capita (Academy) system.
- 6.2 The Business Case shows in detail the options that have been considered and the supporting data analysis.
- 6.3 Performance has been analysed based on four key performance indicators:

1. Council Tax collection rates.
2. National Non-Domestic rate collection rates.
3. Average time taken to assess new claims for benefit.
4. Average time taken to assess changes.

6.4 The data shows that South Northants area using Capita and utilising the modules effectively is performing above the target KPIs and above the national average. Daventry are also using Capita although historically have not used the full suite of modules so although performance is good this would be enhanced further if migrated to a system with all the modules.

6.5 The former Northampton area using the NEC Northgate system is not performing as well as the other sites. This may be due in part to the fact that a significant amount of Northgate modules have not been implemented. The service could consider implementing these, but it would come at a considerable cost to the service both external costs from Northgate purchasing and internally in staff time to implement.

Recommendation

6.6 The options appraisal shows that the Capita software system is the best option for West Northants, and it is recommended that we purchase, procure, and implement Capita as the single software system for West Northants Council.

Rationale:

- Data gathered during the options appraisal highlights that South Northants using the Capita system and utilising the modules effectively performed above the target KPI's and above the Daventry and Northampton areas.
- Northampton did introduce certain modules such as e-billing and risk-based verification, but these did not function correctly and were therefore abandoned. Extensive testing to reinstate these modules would be required which is deemed unnecessary as the Capita system modules have been proven to work efficiently and are already live.
- Two of the three Council Tax and Benefits systems are already on Capita (Daventry and South). Moving the Northampton NEC system to the Capita system would involve a system conversion. However, to move the two Capita systems to NEC would involve converting South and Daventry and then merging into the Northampton NEC system. Significant work would need to be undertaken to introduce modules into the NEC system which are already working in the Capita systems.
- All three Business Rates systems are on Capita, there is significant expertise in using and managing these systems within the Revenues and Benefits team. No system conversion would be required as the data is held in the same format. A project to merge the systems into one would need to be undertaken to achieve efficiencies in processes but this is much less work and cost than a full system conversion.
- Within the Revenues and Benefits systems team, we have extensive experience of working with Capita on a system conversion from NEC to Capita, server migrations of Capita data and migration of Capita systems to a cloud environment, which reduces risk.

- This option will support a move to a cloud-based option in the future, following the conversion and merging of the existing systems to a single system. Moving single systems to the cloud carries less risk than attempting to merge and convert systems at the same time as moving to the cloud, hence the move to the cloud would be considered as a separate phase to this project.
- North Northants are also planning to move to the Capita suite of systems. There would be the potential to work closer with North Northamptonshire as a result of using the same Revenues & Benefits systems.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 The full financial implications are shown in the Business Case. A summary of the current costs, indicative costs for the new proposal and implementation costs are summarised below. This is a complex migration and conversion project and will need to take place throughout 2023-2024 and into 2024-2025. During this time, it will be necessary to keep the Northgate system for conversion and subsidy purposes. This means that any financial savings will not be realised until 2026-2027.

7.1.2 There will be productivity benefits from moving to a single system in addition to other savings from not paying multiple suppliers. It's expected that efficiencies in the region of £200,000 per annum may be gained by the introduction of one system

Current position

System	Costs
Northampton NEC for Council Tax and Benefits	Annual Support and maintenance - £92,500 Annual charge for citizen access - £41,750 Gov Tech UCDS service - £14,000 Gov Tech VPN line rental - £2,985 Liberata UCDS automation £3,060 Enterprise licence - £15,000 Total £169,295
Capita Council Tax, Business Rates and Benefits for South and Daventry including Business Rates for Northampton	Revenues and Benefits £142,569 Remote support (South only) £37,756 Development fund for South and Daventry £10,015 Total £190,376
Total costs	£359,671

Proposal

Indicative costs per annum

System	Costs
Capita Council Tax, Business Rates and Benefits for South, Daventry, and Northampton	No change apart from remote support: Revenues and Benefits £142,569 Remote support £45,000 Development fund £10,015 Total £197,587 per annum * •

The ongoing annual revenue savings associated with this proposal therefore totals approximately £362,000 per annum when the staffing savings and the systems savings are taken into account.

The payback period for the costs highlighted below is therefore less than three years.

Implementation Costs (2023-2025)

The implementation costs have been estimated at this stage.

Detail	Estimated Costs Year 1 23-24	Year 2 24-25
Capita support for planning and scoping project, NEC conversion, merge of three datasets to create a single system	£325,000	
WNC project team costs including project management, backfilling for team members	£225,000	£225,000
Staff training costs	£25,000	
Contingency	£50,000	£25,000
Total	£625,000	£250,000

The implementation costs are being funded via Capital Projects as part of the budget setting process

7.2 Legal

7.2.1 Full engagement will take place with colleagues in Legal to ensure a robust and appropriate contract is prepared for the purchase of the new single system.

7.2.2 Work has also been undertaken with colleagues in Procurement to ensure a successful and safe process. There are two possible frameworks that may be used to facilitate a direct award and work is underway in consultation with both Legal and Procurement.

7.3 Risk

7.3.1 There is a risk that if the procurement process is not started as soon as possible the implementation timeframe will be adversely affected and efficiencies will not be realised as soon as we hope. Any other risks related to the implementation of a single system and the mitigations are highlighted in the Business Case.

7.4 Consultation

7.4.1 Consultation has taken place with colleagues in Procurement and ICT/DTI and the Business case has been considered and approved by ELT.

7.5 Consideration by Overview and Scrutiny

7.5.1 Not yet considered by Committee.

7.6 Climate Impact

7.6.1 No impacts identified.

7.7 Community Impact

7.7.1 No specific impacts have been identified.

7.8 Communications

7.8.1 Communications activities will be developed to keep stakeholders informed and updated on the single system project.

8. Background Papers

8.1 None.