

CITY OF PLYMOUTH

Subject: Review of the closure of the Former Cashiers Service & Position
Statement on Current Bill Payment Use

Committee: Support Services Overview & Scrutiny Panel

Date: 15 September 2011

Cabinet Member:

CMT Member: Adam Broome

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Ref: rb/cashrev

Key Decision: No

Executive Summary:

In December 2010 a decision was made to modernise the way the Council collects income from its customers. This resulted in the closure of the cashiers counter service in the Civic Centre. This report provides an overview of the closure and provides details on which payment channels customers have switched to.

No complaints have been received as a result of the closure of the cashiers counter service. The alternative payment streams were already well established and used by a large number of customers. No issues have arisen as a result of the increase in customer numbers using these services.

The collection rate figures for the period 1st April to 30th June for 2010 and 2011 show there has been no detrimental impact on collection rates with the total Council Tax and Non Domestic Rates collected in 2011 approximately £57.7 million compared with £56 million collected during the same period in 2010.

Key Points

1. Background Information

1.1 The Cashiers counter service closed on the 31st March 2011. In the last financial year there were 68,475 Customer visits to the counter service, which was slightly down on the previous financial year. In excess of 20% of the customers using the service were making payment for Plymouth Community Homes rent.

1.2 As part of the closure process the project team wrote to customers of the cashier counter service, providing them with details of alternative payment channels that were available to them. The information included a map detailing the location of bill payment facilities at local Post Offices and Paypoint agencies close to them.

1.3 A helpdesk was also set up in the Civic Centre and provided support and guidance to customers on the alternative payment options available. The helpdesk advised customers which of the available options best suited their individual needs.

1.4 A second self-service payment kiosk was installed alongside the existing kiosk in the Civic Centre. Council Tax, Non Domestic Rates, Invoices, Parking fines and miscellaneous payments can be paid using the kiosks. The kiosks accept payment by cash or debit/credit card and give change if required.

1.5 Following customer feedback a cheque deposit box was installed in the Civic Centre to allow customers to deposit cheque payments for processing by the back office function of the cashiers service.

1.6 The alternative payment options available to customers were already well established and used by large numbers of customers. Over 85% of customers who used the cashier's service paid other bills such as utility bills using these alternative payment services. No problems have arisen due to the increase number of customers using these services. Analysis of the payment channels and any increase in customer numbers are detailed in section two of this report.

1.7 Payments made using the bill payment services at Post Office and Paypoint agencies are scheduled to take three working days before they are received by the Council. Customers are advised of this delay on their bill or invoice. However the majority of time payments made using these services are received the next working day, with the customer's account updated upon receipt of the payment.

1.8 No complaints were received from customers in respect of the closure of the Cashiers Service.

2. Review of Payment Channels

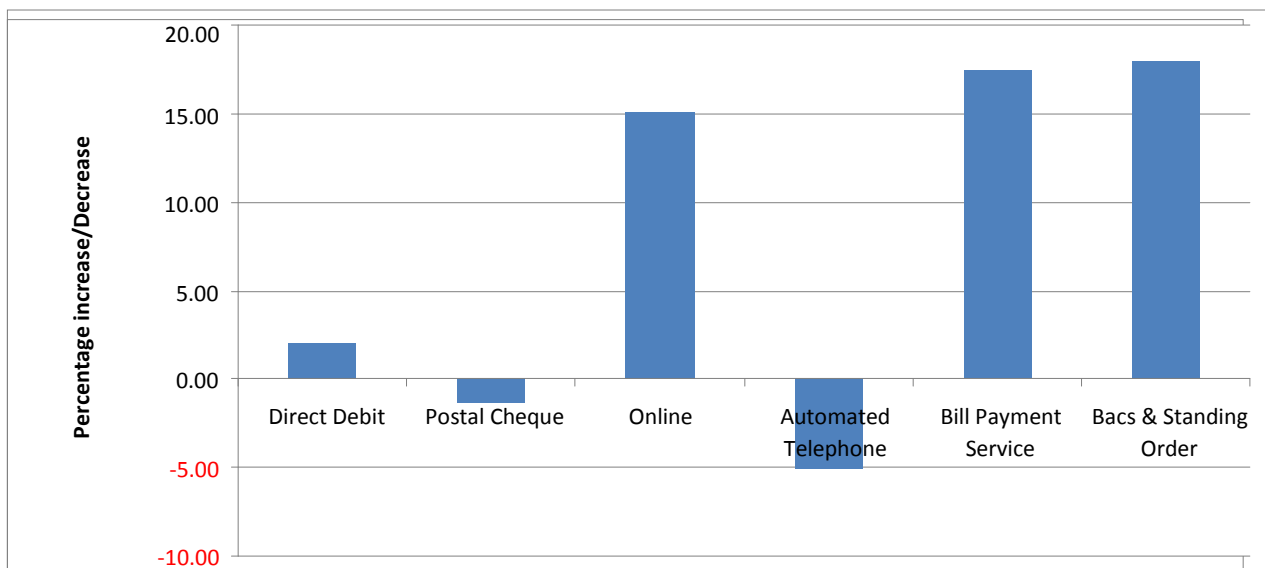


Figure 1

2.1 The review of the payment channels makes a comparison of the first four months of the current financial year, compared to the same period last year when the cashiers counter service was still available.

2.2 In the first four months since the closure of the cashier's service 10,011 payments have been made using the two self service payments kiosks. During the same period last year 2,800 payments were made when only one kiosk was available. This shows an increase in self service payments of 258%. However last year the cashiers counter was still open and the counter service processed 32,722 payments during the period of 1st April to the 31st July.

2.3 The number of customer now paying their Council Tax and Non Domestic Rates by direct debit has increased by 1,200 during first four months of the current financial year to 59,282 an increase of 2%.

2.4 The number of customers using the bill payments service has seen a significant increase. During the first four months of the last financial year 57,866 payments were made at Post Offices or Paypoint agencies. This year there have been 67,960 payments received using the bill payments service, an increase of 17.4%.

Research undertaken by Paypoint has shown that bill payment customers visit their agents shops more often and spend 50% more in the shop than customers who do not use the shop to pay their bills. This is providing valuable support for local business during the current economic climate.

2.5 During the first four months of the current financial year the number of online payments received has increased by 15% to 12,497 compared to the same period last year.

2.6 The number of payments received from customers paying their bills by Bacs or Standing Order has increased by 18% to 38,918 during the first four months of the current financial year, compared to the same period last year.

2.7 There has been a 5% drop in payments made using the 24/7 Automated Telephone payments service from 10,575 payments made in the last financial year compared to 10,066 in the current financial year.

2.8 There has been no noticeable change in the number of cheques received in the post for payment of Council bills with 12,715 payments received in the current financial year.

Significant Issues

3.0 No significant issues have arisen. Customers are still able to pay their Council bills by cash. Customers who prefer to pay the Council direct using cash can still do so using the self-service payment kiosks in the Civic Centre.

3.1 Where customers require assistance to use the kiosks then Customer Service floor walkers and Cashiers back office staff advise and demonstrate where necessary. Due to the ease of use of the kiosks, generally once customers have been shown how to use them, they are able to use them without any further assistance.

3.2 Staffing levels prior to the closure of the cashiers counter service were 15 FTE. Staff levels, once the counter was closed, were to be reduced to 8FTE, with all cashier staff provided with the opportunity to apply for posts in the restructure of Value for Money & Efficiencies area.

3.3 Since the closure of the counter service was announced the staffing levels have reduced to 7.8 FTE. This is due to staff within the service either being successful in obtaining positions elsewhere

with the council or either opting to take early retirement or voluntary release where available. Currently the restructure of the Value for Money & Efficiencies area is still on going.

Conclusion

It is clear that the work undertaken to advise customers of the closure and identify suitable alternative payment options worked well and contributed to the successful transition of the service to a more modern efficient and cost effective service for the collection of Council's income.

No customer complaints were received as a result of the closure of the cashiers counter and no significant issues have arisen or been identified.

Until the restructure of the Value for Money & Efficiencies area is complete then it is not possible to quantify the first year savings from the modernisation of the cashier's service.