

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Corporate Services

Corporate and Efficient Governance Committee : 26 May 2010

Subject : Automated Remittance Payment Kiosks

1. Purpose

- 1.1 The purpose of this report is to seek the approval of Committee to invite tenders for an automated remittance payment and information kiosk facility.

2. Background

- 2.1 The Council operates cash collection facilities at Garshake Road, Rosebery Place, and Alexandria Housing Office. There is a limited service at Dumbarton Area Office for laundry and electricity tokens. These services are in addition to the other payment facilities offered by the Council such as PayPoint, Post Offices, 24 hour telephone payments, on-line payments, direct debit and standing order.
- 2.2 During 2009/10, the Council collected approximately £15.3m over the counter at cash offices.
- 2.3 At present the Council's internal cost of collection is approximately £1.50 per transaction. This compares to £0.02 per transaction for direct debit, automated telephone and internet payments, £0.40 per transaction for PayPoint and £0.47 per transaction for Post Office payments.

3. Main Issues

- 3.1 The trend since 2006/07 has been for a reducing volume of transactions at Council Offices due to the introduction of alternative payment methods. Due to security requirements regarding the safeguarding of cash and the segregation of duties, the Council's costs of collection have not reduced over the same period.
- 3.2 Although the automated payment facilities are available 24 hours a day, the collection offices are open to the public during the period 9.00am to 4.00pm on working days.
- 3.3 In order to reduce the costs of collection while at the same time seeking to extend the availability of physical cash collection facilities, a visit was undertaken to Renfrewshire Council to view their automated cash collection facilities. Renfrewshire Council have installed 5 automated remittance kiosks in sites across the authority. These sites include libraries and their area office network. The facility appears to have been well received by the public and they have received over £1,000,000 through these kiosks in the first 5 months of operation.

- 3.4** There is no revenue or capital budget earmarked for this project. As such, the costs of implementation would require to be funded from equivalent savings made within the cash collection service. However, it is envisaged that a cash collection kiosk would be installed in each of the four cash collection facilities identified in para 2.1 above. Any changes to the service provision arising from the introduction of the automated kiosks would be made in accordance with the Council's Organisational Change Policy.
- 3.5** In addition to the specification of a cash collection facility, the tender would seek to incorporate a facility within the kiosks to provide information on Council services to the public and also to allow employees to access council systems. An aim of the tender would be allow for a roll-out to other locations if the initial installations proved successful.

4. People Implications

- 4.1** There are potential implications on staffing levels if the automated remittance payment kiosks are introduced. Any changes to the service provision would be made in accordance with the Council's Organisational Change Policy.

5. Financial Implications

- 5.1** It is anticipated that the proposed changes will be at least cost neutral and, as such, will not increase to the costs of collection.

6. Risk Analysis

- 6.1** The benchmarking of collection costs indicates that the Council may not be achieving best value in relation to these services. The Council has a duty under best value to seek to ensure the economic and efficient use of resources. There is a risk that the Council may be challenged on the competitiveness of the current service.

7. Equalities Impact

- 7.1** No significant issues were identified in a screening for potential equality impact of this measure.

8. Conclusions and Recommendations

- 8.1** This report seeks Committee approval to invite tenders for an automated remittance payment and information kiosk facility.

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Date: 12 May 2010

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Appendices None

Background Papers: None

Wards affected: All Council wards