

**REPORT TO: POLICY & RESOURCES COMMITTEE – 24 FEBRUARY 2022**

**REPORT ON: CASHIER SERVICE – CHANGE OF SERVICE MODEL**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 68-2022**

## **1. PURPOSE OF REPORT**

The purpose of this report is to review the current service delivery model in order to demonstrate an effective alternative service delivery model that better meets customer needs for citizens wishing to continue to use cash, which:

- benefits local businesses with increased patronage and income
- reduces unnecessary travel, positively impacting carbon footprint
- provides potential efficiency benefits to the Council
- reduces service space requirement in Dundee House, providing opportunity for alternative service delivery

## **2. RECOMMENDATIONS**

It is recommended that elected members:

- approve the public closure of cash counter services at Dundee House and East Housing Office with effect from 1 April 2022;
- remit the Executive of City Development to consider an alternative use for the area in Dundee House previously designated for cash collection services;
- note the East Housing Office Cash Office be retained temporarily as the operational hub for cash collection services;
- note that as part of the Council's transformation programme that the Executive Director of Corporate Services will continue to review the use of alternatives to cash payments with all services and report further information on this review to elected members in due course.

## **3. FINANCIAL IMPLICATIONS**

3.1 The Executive Director of Corporate Services has confirmed that the implementation of the above recommendations will generate annual savings of £207,000 in the Corporate Services Revenue Budget from financial year 2022/23 onwards.

## **4. BACKGROUND**

4.1 In lockdown, the Council adapted traditional cash office services to accommodate the needs of the customer and the organisation to ensure alternatives for both cash collections and payments. During this time, Council buildings (and those of its partners) were closed, and parking charges were suspended. Essential staff were deployed to support the changed service model, and surplus resources redeployed to support other essential Council Services that remain prioritised as a result of the pandemic.

4.2 Local convenience stores and post offices remained open throughout lockdown periods in order to provide essential services. These local businesses have provided invaluable community support to the citizens of Dundee, and have also benefitted from operating an increased service provision by providing key counter services for payments to the Council and facilitating the emergency funding to the vulnerable, which has been delivered via a Paypoint service. Vouchers are received by text message, and payments are honoured at these outlets. These local businesses receive commission for these transactions, as well as facilitating fuel top ups. Information on outlet commission rates is not available.

4.3 Electronic and telephone channels have been available for all payments and charges and this has been crucial to enabling seamless business continuity. The requirement for citizens to travel to receive service has greatly reduced, with the following benefits:

- Faster receipt of payments to the vulnerable
- No travel costs / time saved
- Reducing carbon footprint

4.4 The main cash office in Dundee House re-opened on 24<sup>th</sup> April 2021 at a reduced service in order to provide collection and payment services. Successful channel shift has been demonstrated with daily counter transaction volumes since then averaging at 32 transactions per day (19 being cash transactions). In the same period prior to the pandemic in 2019, daily counter transaction volumes averaged at 316 per day (191 being cash transactions). East Office has remained closed to the public since the outset of the first lockdown.

4.5 Parking charges have resumed and other facilities with chargeable services reopened. Any cash collected for these services continue to be collected and managed by the Cashiers Team. The Councils transformation programme will seek to consider a review of other areas where the Council can modernise and become more efficient through introducing alternatives to cash.

4.6 There are currently 4 staff involved in providing the modified counter and courier services, being supported by Corporate Finance teams as a short-term service measure. There remains a total of 8.1 FTE vacant posts within the Corporate Finance structure that would not require to be filled should these counter services not re-open.

## **5 CONCLUSIONS**

5.1 Transaction level reduction has demonstrated successful channel shift to alternative payment methods and this trend is expected to continue.

5.2 There are more suitable and cost-effective alternatives to accommodate customers who wish to retain cash as preferred payment option within the local area which would also assist the Council in supporting the small businesses through providing increased custom.

5.3 Carefully staged service design change would enable further efficiencies to be achieved, but also ensure that Council services, and that of their partners would remain supported as alternative strategies are delivered.

## **6 POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact and Risk Assessment. An Integrated Impact Assessment has been carried out and is attached.

## **7 CONSULTATIONS**

The Council Management Team has been consulted on this report.

## **8 BACKGROUND PAPERS**

None.

**Committee Report No:** 68-2022

**Document Title:** CASHIER SERVICE – CHANGE OF SERVICE MODEL

**Document Type:** Service

**New/Existing:** Existing

**Period Covered:** From 01/04/2022 onwards

**Document Description:**

This is a report which reviews the current service delivery model and proposes a more effective alternative service delivery model to better meets the needs of citizens wishing to continue to use cash as their preferred method of payment to the Council.

**Intended Outcome:**

Customers will use more convenient and effective alternatives to accommodate their wish to retain cash as their preferred payment option within their own local area. Although not the focus of this IIA, it is worth noting that this will also support citizens owning small businesses throughout the wards of Dundee by providing increased custom.

**How will the proposal be monitored?**

Transaction trends are subject to regular monitoring and reporting, and if the proposal was approved, payments service could be included in future customer service satisfaction surveys to ascertain ongoing effectiveness of operating model. A biennial survey of businesses providing counter services could also be undertaken if required.

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**A. Equality and Diversity Impacts:**

<b>Age:</b>	Positive / Negative
<b>Disability:</b>	Positive / Negative
<b>Gender Reassignment:</b>	No Impact
<b>Marriage and Civil Partnership:</b>	No Impact
<b>Pregnancy and Maternity:</b>	Positive / Negative
<b>Race/Ethnicity:</b>	No Impact
<b>Religion or Belief:</b>	No Impact

**Sex:** No Impact  
**Sexual Orientation:** No Impact

**Equality and diversity Implications:**

Customers who currently travel to Dundee House or East Office to use the Cashier Service would no longer be able to use this service. They would use another payment alternative, and for those who wish to continue making their payments in cash, this would be delivered via one of the numerous Paypoint and Post Offices in the Dundee area. There are multiple outlets in each ward that are close to the homes of our citizens with many currently open for longer hours than the current service being delivered from Dundee House. This offers customers increased flexibility in relation to location and time, however they will not offer the facilities of Council offices.

**Proposed Mitigating Actions:**

Considering the impact on customers affected, the proposal seeks to mitigate the impact by offering an alternative that reduces the requirement for citizens to travel to receive service with the following benefits:

- More accessible service in terms of location for citizens less able to travel due to age, disability or for citizens less able to travel (e.g. due to pregnancy and / or with young children).
- Faster receipt of payments to the vulnerable as they can go to their nearest outlet
- No travel costs / time saved in utilising easily recognised Paypoint / Post Office services that are closer to their homes and businesses, offering increased flexibility for the customer in relation to opening hours, if they wish to retain cash as their preferred payment method. Awareness will be raised both at time of billing, but also on the Council's website and in Council and Community buildings.

**Is the proposal subject to a full EQIA?** No

**B. Fairness and Poverty Impacts:**

**Geography**

<b>Strathmartine (Ardler, St Mary's and Kirkton):</b>	Positive
<b>Lochee (Lochee/Beechwood, Charleston and Menzieshill):</b>	Positive
<b>Coldside (Hilltown, Fairmuir and Coldside):</b>	Positive
<b>Maryfield (Stobswell and City Centre):</b>	Positive
<b>North East (Whitfield, Fintry and Mill O' Mains):</b>	Positive
<b>East End (Mid Craigie, Linlathen and Douglas):</b>	Positive
<b>The Ferry:</b>	Positive
<b>West End:</b>	Positive

**Household Group**

<b>Lone Parent Families:</b>	Positive
<b>Greater Number of children and/or Young Children:</b>	Positive
<b>Pensioners - Single/Couple:</b>	Positive
<b>Single female households with children:</b>	Positive
<b>Unskilled workers or unemployed:</b>	Positive
<b>Serious and enduring mental health problems:</b>	Positive
<b>Homeless:</b>	Positive
<b>Drug and/or alcohol problems:</b>	Positive
<b>Offenders and Ex-offenders:</b>	Positive
<b>Looked after children and care leavers:</b>	No Impact
<b>Carers:</b>	Positive

**Significant Impact**

<b>Employment:</b>	No Impact
<b>Education and Skills:</b>	No Impact
<b>Benefit Advice/Income Maximisation:</b>	No Impact
<b>Childcare:</b>	Positive

**Affordability and Accessibility of services:**

Positive

**Fairness and Poverty Implications:**

As citizen will not have the need to travel to a central location to make payments, this has a positive financial impact and positive implications to both fairness and poverty by saving money on travel.

**Proposed Mitigating Actions:**

Although not the focus of the IIA, one of the benefits of proposal is the positive impact on local businesses with increased patronage and income, which in turn could potentially result in increased employment opportunities. The proposal provides numerous alternative outlets near the homes of citizens therefore increasing accessibility, and as they are not needing to pay to travel into city centre, provides a more affordable option for citizens.

**C. Environmental Impacts**

**Climate Change**

**Mitigating greenhouse gases:**

Positive

**Adapting to the effects of climate change:**

No Impact

**Resource Use**

**Energy efficiency and consumption:**

Positive

**Prevention, reduction, re-use, recovery or recycling waste:**

No Impact

**Sustainable Procurement:**

No Impact

**Transport**

**Accessible transport provision:**

No impact

**Sustainable modes of transport:**

No impact

**Natural Environment**

**Air, land and water quality:**

Positive

**Biodiversity:**

No impact

**Open and green spaces:**

No impact

**Built Environment**

**Built Heritage:**

No Impact

**Housing:**

No Impact

**Is the proposal subject to Strategic Environmental Assessment?**

No further action is required as it does not qualify as a Plan, Programme or Strategy as defined by the Environment Assessment (Scotland) Act 2005.

**Proposed Mitigating Actions:**

Reducing unnecessary travel for citizens reduces carbon footprint. Without the need to travel, the use of carbon vehicles will be reduced.

**Environmental Implications:**

Non-applicable

**D. Corporate Risk Impacts**

**Corporate Risk Implications:**

The risk implications associated with the subject matter of this report are 'business as normal' risks. The subject matter is routine and has happened many times before without significant loss. There is comfort that the risks inherent within the activity are either transferred to another party, shared equally and fairly between the Council and another party or are negligible.

**Corporate Risk Mitigating Actions:**

The alternative payment options contained in the report are already available and being used by all citizens.