

ABERDEEN CITY COUNCIL

---

COMMITTEE	Finance, Policy & Resources Committee
DATE	9 June 2015
DIRECTOR	Angela Scott (Corporate Governance)
TITLE OF REPORT	Self-Service Payment Kiosks
REPORT NUMBER	CG/15/35
CHECKLIST COMPLETED	Yes

---

1. PURPOSE OF REPORT

The purpose of this report is to advise Committee of the intention to build on the success of the installation of two self-service payment kiosks at Marischal College Customer Service Centre by installing a further three kiosks, one each at Mastrick Customer Access Point, Kincorth Customer Access Point and Tillydrone Housing Office.

2. RECOMMENDATION(S)

It is recommended that Committee:

- i. Notes that on 21<sup>st</sup> February 2013 the Finance & Resources Committee approved awarding Cammax Limited the contract to supply and implement two self-service payment kiosks for use within the Customer Service Centre at Marischal College for a four year period with an option to extend for a further year;
- ii. Approves the purchase of an additional three self-service payment kiosks to be included in the existing contract with Cammax Limited.

3. FINANCIAL IMPLICATIONS

The costs of installing and maintaining self-service payment kiosks at the above noted locations total £43,117, with an anticipated installation date of 1 November 2015. The Ongoing Costs, shown in Total (A), will be funded from approved revenues budget, and the Implementation Costs, shown in Total (B), will be funded from NHCP805 Technology Investments Requirements Programme. The table below breaks these costs down over the remaining three years of the existing contract with Cammax:

<b>Project Cost Summary</b>				
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>TOTAL</b>
<b>Ongoing Costs</b>				
Service & Maintenance	£2,100	£2,100	£2,100	£6,300
Chip & Pin Costs	£500	£1000	£1000	£2,500
Consumables	£50	£100	£100	£250
<b>Total (A)</b>	<b>£2,650</b>	<b>£3,200</b>	<b>£3,200</b>	<b>£9,050</b>
<b>Implementation Costs</b>				
Installation Costs	£10,232			£10,232
Kiosk Costs	£23,835			£23,835
<b>Total (B)</b>	<b>£34,067</b>			<b>£34,067</b>
<b>Grand Total (A+B)</b>	<b>£36,717</b>	<b>£3,200</b>	<b>£3,200</b>	<b>£43,117</b>

4. OTHER IMPLICATIONS

Customer Service will work closely with colleagues from Legal and Democratic service and Procurement to complete the procurement process.

Resources will be required from Finance, Asset Management and ICT to assist Customer Service with the implementation of the kiosks.

It is anticipated that the introduction of self-service payment kiosks at the three locations will reduce face to face payment transactional enquiries by 26% across Mastrick, Woodside and Kincorth Customer Access Points, which equates to 1.34 Full Time Equivalent per annum in transaction time. In monetary terms, this would amount to £35,643 per annum.

Taking into account the costs per annum detailed in section 3, the target is for potential recurring cash savings of £32,443 per annum to be realised from Year 2. However, because of changing requirements, for example the potential impact of Universal Credit, and the resulting staffing needs these savings may instead be reinvested.

## 5. BACKGROUND/MAIN ISSUES

### 5.1 Background & Vision

In 2011 the council rationalised the number of venues in Aberdeen City that provided a cashier service. With effect from 31 May 2011, council taxpayers and tenants wishing to continue to pay cash can do so within the city boundaries at 3 Customer Access Points, 85 Paypoint outlets and 34 Post Offices.

Welfare Reform proposals have the potential to significantly increase demand for payment facilities. From 16 November 2015, the date in which Universal Credit is being introduced in Aberdeen City, council tenants currently receiving Housing Benefit directly to their rent account could instead have an amount for rent included in their monthly payments and have the responsibility for paying rent that they do not currently have.

Face-to-face resources are expensive for simple transactions such as payments that could be done via self-service. There is opportunity to review all business processes at the Service Centre at Mastrick, Kincorth and Woodside Customer Access Points that have a payment outcome to direct payment to self-service and where possible to reduce or remove the need for a cash transaction.

The vision, therefore, is for self-service payment kiosks to be implemented at Mastrick and Kincorth Customer Access Points along with Tillydrone Housing Office to offer cash and card based payment facilities to citizens paying for Council services currently processed via the Civica Icon financial system, including rent and Council Tax. At Kincorth Customer Access Point, all card and cash transactions will be directed to the kiosks and at Tillydrone Housing Office the self-service payment kiosk will be the only method of payment available. Citizens when using the payment kiosks would be supported by Customer Service Advisers when required, although this is expected to become less frequent as familiarity with the kiosks increases.

The introduction of a self-service facility for payments would provide an enhanced service and choice for customers. Implementing an additional payment facility for rent cash payments will help support citizens and help to minimise the financial impact of Welfare Reforms. Redirecting payment enquiries to self-service payment kiosks would enable Customer Service Advisers to devote more time to more complex enquiries, allow the potential for the introduction of new services available at the Customer Access Points and the reduction of waiting times for customers. Further, having a payment kiosk at Tillydrone Housing office will provide the means to make a payment on site, which is not available at present.

## 5.2 Benefits

The key benefits are: -

- To continue to reduce customer waiting times at Mastrick, Kincorth and Woodside Customer Access Points.
- To enable customers to make instant payments to their rent accounts which they cannot do currently if paying via Post Offices or Paypoints as payments via this method take 3-4 days to be credited to accounts. It will have a positive impact for the customer but also operationally as the difficulties associated with payment delays will reduce.
- Given the forthcoming changes in relation to Welfare Reform and the fact that Housing Benefit will be paid to the tenant as opposed to directly into their rent account, the demand for transaction facilities across the city will increase and the payment kiosks offer an additional channel for payment.
- To increase customer satisfaction for those customers with an appetite for self-service.
- To complement existing self-service payment facilities, i.e. online and telephone payment line.
- To reduce staff input to payment enquiries and thereby free up time to handle complex enquiries, introduce new services at the Customer Access Points and potentially reduce the staffing complement.
- To mitigate the health and safety risks for Customer Service Advisers handling cash at the Kincorth Customer Access Point, where there is no secure cash desk.
- Offering an additional channel to accept payments could have a positive impact on Council Tax and rent collection rates.
- To reduce Post Office and Paypoint fees as more payments are made through self-service machines.

## 6. IMPACT

Implementation of self-service payment kiosks would help transform the way in which customers access our services. Aligned with Shaping Aberdeen, the proposal will provide benefits for all customers, staff and the management of resources. Specifically, in this context, it will be in line with the Customer Access theme of the Improving Customer Experience Programme, as it will make it easier for our customers to contact the council and make payment in ways that are convenient to them as well as providing consistent, high quality customer experience through an additional access channel tailored to the needs of those customers who prefer to use self-service facilities.

It supports the smarter priorities of 'Smarter Governance – Participation' and 'Smarter Mobility – Transport & ICT'. Specifically;

“Smarter Mobility – Transport and ICT: promoting the transport links to and from the city which are sustainable. Maximising digital connectivity for the benefit of all people and the development of business in the city. Priority: We will maximise digital connectivity to ensure equal opportunity of access to services for all people.

Outcome: The city is digitally connected to ensure equal opportunity of access to services for all people and to support business development.”

“Smarter Governance – Participation: acknowledging the role that citizens can play in the evolution of the city.

Priority: we will encourage citizens to participate in the development, design and decision making of services to promote, civic pride, active citizenship and resilience.

Outcome: Citizens feel they can influence their communities through engagement in the development, design and decision making of services.”

It links to the delivery of the National Outcome 15 for public services being high quality, continually improving, efficient and responsive to local people's needs.

It also supports one of ACC's key priorities, namely;

“Ensure efficient and effective delivery of services by the Council and with its partners.”

## 7. BACKGROUND PAPERS

Self-Service Payment Kiosks Procurement - Committee Report  
Number CG/13/003

8. REPORT AUTHOR DETAILS

Craig Farquhar  
Project Executive  
Customer Service Development  
Email: [cfarquhar@aberdeencity.gov.uk](mailto:cfarquhar@aberdeencity.gov.uk)  
Tel: (34)6741