

Project Initiation Stage

Project/Item Title	Welfare support and corporate debt software		Version	1
Corporate Head	Linda Norman	Service Area	Customer, Digital and Collection Services	
Service Committee to Approve Budget	Corporate Management Committee			
Anticipated Cost of Proposal (Capital)	£20,000	Anticipated Cost Proposal (Revenue)	£2,000	

To be completed for Projects only

Type of Project	Improvement	Project Duration	26weeks
Proposed Project Start Date	Sep-23	Proposed Project End Date	Mar-24

Business Case Context**Background**

Describe the purpose of the Business Case, what benefits are expected to be delivered or what problem will be solved (What is wrong with the status quo? What are the drivers for change?). Is the scheme a result of legal/statutory requirements or a stakeholder consultation?

Coming out of Covid and with the current economic crisis, many residents are struggling with the cost of living and the energy crisis. Runnymede is committed to supporting vulnerable residents and whilst the Government have announced various schemes to mitigate the position, the rising costs of fuel, food and other essentials are putting many households at greater risk of both immediate hardship and reduced opportunity and wellbeing. Many residents not only have Council Tax and rental liability due to the Council but also subscribe to other services where payment is required and currently each service area is working in silos with no appreciation of customers individual circumstances and propensity to pay whilst keeping a roof over their heads. Each separate department is chasing for the same disposal income without prior knowledge of the resident's personal circumstances and propensity to pay. Quite often, service areas who have 'got in first' have taken what little money there is leaving other areas with difficult decisions to be made around recovery and cancellation of services provided. Whilst there needs to be a distinction between those who can't pay and those who won't pay, better financial intelligence is required to deal with an individual as a customer of the whole council and work with the customer to support them in difficult circumstances and break the cycle of debt. Many 'rob Peter to pay Paul' and with closer collaborative working and a single view of debt, this will enable officers to work with customers to prioritise their commitments and reduce non payment across Council services.

Do nothing: Many households will face financial hardship and this will result in loss of income to the Council as customers prioritise food and heating paying for Council services. Non payment of statutory areas such as Council Tax and Rents may result in enforcement action with increase costs, potential eviction or imprisonment for non payment. Customers may choose to cancel services such as care alarms and meals at home which could put vulnerable residents further at risk and without financial intelligence and collaborative working, many residents could fall into real hardship and poverty. Non payment will also effect the Council's income and ability to provide services and it is important to have efficient and effective recovery mechanisms in place to maintain the Council's cash flow.

List your Business Case Objectives, ensuring they are Specific, Measurable, Achievable, Realistic and Timely

By purchasing software that gives the Council a single view of debt which integrates with major financial systems that give an overview of a persons ability to pay will enable the Council to target its resources effectively working with those customers who need additional support in managing their finances and working on mutually acceptable payment plans that secures the Council's monies whilst not causing hardship to the resident. Where systems indicate that repayment will never be made, the Council can decide not to waste time and costly resources to try to recover the debt when there is little scope of repayment but target resources to help those in need where financial support can improve the outcome for all concerned.

List the Constraints or Parameters in which this Business Case will operate

Technology solution needs to be procured and ensure that it is able to sit across the varied backoffice systems the Council holds to capture the relevant data.

List the Outcomes and Benefits (including efficiency gains) you expect the scheme to achieve

By having an holistic approach to debt management and working more collaboratively across the Council, income should increase and vulnerable customers start to break the cycle of debt improving quality of life for the resident and their families

Appraisal of Business Options (must include evaluation of a 'do nothing' option)**Option 1 (preferred option):****Description**

Describe the preferred option and why. Describe the current position and the consequences/reasons that do nothing is not a viable option.

To procure a software system that is able to give a single view of debt and the debtors credit score will enable the Council to make a more informed decision about how to recover monies owed. For those who are unable to pay, the Council can work with these families and other partners to look at solutions for reducing the liability whilst targeting those that can pay in an effective manner. Currently service areas are working independantly chasing smaller and smaller disposable incomes and not looking at the implications across the Council on whether non payment in other areas will result in more costly recovery.

Benefits (comparison to other options considered)

Consider any tangible benefits of the Preferred Option, consider benefits such as income generation, savings, great efficiency, compliance with legislation / industry standards – soft benefits, reputation, residents' satisfaction, perception of Council

Benefits include better increased collection rates across all service areas and customers dealing with one officer for multiple service areas where realistic and proportionate payments are agreed.

Finance will be able to predict better collection rates and will be able to write off irrecoverable debts in a more efficient manner. Independent credit reports will enable the Council to decide best course of recovery and by working with customers on the whole debt will ensure scarce disposable income is allocated fairly across the organisation

Officers will spend longer with each customer dealing with payments for services not necessarily in their remit

Costs to Organisation (preferred option)	Benefits to Organisation (preferred option)
Cost of software and more staff time spent on individual cases and collaboration	Potential to recover monies owed in a more organised and methodical without increase legal costs which the customer may be unable to afford

Resource Requirements
Staffing Appraisal (preferred option):
 Outline the expected staffing / resourcing requirements for the preferred option in the table below, think about resources required in your team and others. This should include job titles, number of hours worked and salary.

Existing Staffing	New RBC Staff Requested	New External Staff Requested
DS to implement software modules and integration with back office systems and external credit agencies. Staff from finance, revenues, parking, housing, community services require training and		

FINANCIAL APPRAISAL

Finance Appraisal (preferred option) - To be completed with the Finance Department:
 Describe the financial and resource implications of this option. See Financial Appraisal below to capture numbers.
 How will it be financed? Is a Supplementary Revenue Estimate required? Can it be resourced via a Virement (including areas other than your own)?
 Is there other funding available? Has funding been agreed? Demonstrate how the council can receive a return on investment, whether cashable, cost avoidance or quantifying tangible benefits – **Seek advice from your accountant. Business cases will not be considered by the Chief Executive unless a full financial appraisal has been agreed by the Accountancy Team.**

Explain how the cost estimate has been drawn up e.g. based on the costs of a similar project/item; based on quotes from suppliers etc:	Indicative costs have not been obtained as software demos have not been arranged or costs discussed.
Please explain how you have considered the VAT implications of the project/item:	
If this project involves building or refurbishment work within corporate assets has the project/work been consulted on and agreed by the Corporate Head of Strategic Land and Property Assets? Please give details.	N/A

CAPITAL COSTS

Capital Expenditure (specify codes required)	Year 1 (£)	Year 2 (£)	Year 3 (£)	Year 4 (£)	Year 5 (£)	Year 6 (£)
Corporate debt	15,000					
Integration with back office and external systems	5,000					
Total Capital Expenditure	20,000	-	-	-	-	-

Capital Income (specify codes required)	Year 1 (£)	Year 2 (£)	Year 3 (£)	Year 4 (£)	Year 5 (£)	Year 6 (£)
Total Capital Income	-	-	-	-	-	-

Net Capital Outlay	20,000	-	-	-	-	-
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Estimated Useful Life of the Asset: Where the expected lives of each significant component of the asset are different (i.e. buying a house with a flat roof) you must estimate both the useful life and cost of replacing each component part. Please only include components greater than £20,000 in cost or more than 20% of the total value of the asset.	Estimated Value (£)	Estimated Life (yrs)
Overall asset		
Component 1 (specify):		
Component 2 (specify):		
Component 3 (specify):		

REVENUE COSTS

Revenue Expenditure (specify codes required)	Year 1 (£)	Year 2 (£)	Year 3 (£)	Year 4 (£)	Year 5 (£)	Year 6 (£)
Support and maintenance for system	2,000	2,000	2,000	2,000	2,000	2,000
						86

Less: Savings to existing budget (Please specify)						
Total Revenue Expenditure	2,600	2,600	2,600	2,600	2,600	2,600

Revenue Income (specify codes required)	Year 1 (£)	Year 2 (£)	Year 3 (£)	Year 4 (£)	Year 5 (£)	Year 6 (£)
Total Revenue Income	-	-	-	-	-	-
Net change to revenue budgets	2,600	2,600	2,600	2,600	2,600	2,600

Business Case / Risks
Outline the risks (Managerial, Financial, Operational etc.) to RBC if delivering the preferred option. A risk summary only is required here.

Risk Description	Mitigation / Help needed

Impact
Consider the impact of the Business Case on the Organisation / Environment / Technology / Commercialisation / Cultural / HR

Authorisation

Approved by Corporate Head of Finance		Date	
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Approved by Corporate Leadership Team		Date		Priority Score	
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Corporate Leadership Team Feedback	
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Taken to Corporate Property & Acquisitions Member Working Group / Services and Digital Transformation Working Party (Where applicable)		Date	
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Committee Report to be presented to:		Date	
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