



Committee: Governance & Audit

Date: 19th June 2018

Subject: Commercial Billing Update

Report by:

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Contact Officer:

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Purpose / Summary:

To update Members on the progress of the Commercial Billing solution.

RECOMMENDATION(S): That Members accept the current status of this project.

IMPLICATIONS

Legal: None

Financial: FIN-52-19

The external costs to the Council have been £1,500 and are contained within the 2017/18 financial year budget.

Staffing: None

Equality and Diversity including Human Rights: None

Risk Assessment: Risk management arrangements are part of corporate governance and issues raised under these arrangements have been included in the Annual Governance Statement

Climate Related Risks and Opportunities: None

Title and Location of any Background Papers used in the preparation of this report:

None.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

Yes

No

Key Decision:

Yes

No

1. Background

- 1.1 This report was requested by the Governance and Audit Committee to inform them on progress of the Commercial Billing project, which had been raised as an issue within the Sales and Invoice Audit resulting in a limited assurance being given.
- 1.2 In 2016 a request was made from the Trade Waste Service to investigate whether the current financial Debtors system could be developed to enable variable payment options. Their business case detailed that due to the increasing number of customers and the frequent amendment to their requirements i.e. number and capacity of bin and number of lifts, the administration for invoicing was becoming inefficient.
- 1.3 From a customer perspective, whilst there was little evidence of demand at this time, the team also wanted to be able to provide variable payment options similar to the utility companies i.e.
 - Variable payment terms i.e. annual, monthly on account, monthly actuals in arrears
 - Variable payment options, bank transfer, cheque, Direct Debits for all payment terms
- 1.4 The current system is able to produce all the relevant payment terms however it is unable to process variable monthly direct debits. The management of invoices is labour intensive with cancellations and new invoices being raised to ensure accurate billing for changes in requirements.
- 1.5 A quote for a solution was provided by our suppliers Civica and was £15,000. At this time and due to the lack of demand the business case was not supported as it was not a value for money solution.
- 1.6 In February 2017 the Finance and Business Support Manager came up with a suggested alternative solution within the limitations of the current system and after discussions with Civica this was viewed as quick and low cost piece of work at a quoted price of £1,500. Civica were engaged to commence the work.

2. Project Progress

- 2.1 Whilst work was ongoing during April and May there was no progress being made and it transpired that after a short period of illness the consultant working on the project retired. We had no communication in this regard from Civica.
- 2.2 After some insistence in July 2017 Civica investigated the current state of the project and it was found that the work undertaken was not developed in the correct way and Civica would not be able to finalise

nor support this in the future. Civica quoted for 12 consultancy days at a cost of £12,600. The Strategic Finance and Business Manager was therefore insistent that Civica finalise the project at the original cost, due to the issues and delays experienced and the lack of communication and poor customer service we had received. It was therefore agreed that the price would remain at £1,500 and a new consultant was allocated to the project, and the product to be supported in the future.

- 2.3 Work has been ongoing since this time and we have almost finalised the testing phase. This has proved that the new process is working how we would expect and that automation of the process has been achieved.
- 2.4 Currently there is one issue still to address and that is the formatting of the information to be provided on the invoices. This is currently being dealt with prior to the system being moved into the LIVE environment before the first invoices can be raised using this process ready for July billing.
- 2.5 Once this is in place it is anticipated that the export/import processes can be scheduled, therefore saving further officer time.

3. Conclusion

- 3.1 That members note the current status of this project and have the assurance that it will shortly be completed as the system will be live for end of June in readiness for the July billing cycle.