

# Self-service licensing drives channel shift

Cheltenham Borough Council's online licensing portal allows customers to apply for a licence anytime, anywhere via a new end-to-end digital service that has empowered customers, transformed back-office processing and delivered 100 per cent channel shift.

## The issue and context

Cheltenham Borough Council has ambitions to transform itself into a more digital and commercially-focussed organisation. A programme to transform the council's Place and Economic Development group began in July 2016. As part of this work, Cheltenham saw the opportunity to transform licensing services with implementation of an online end-to-end digital service.

The historical manual processes were both time- and resource-intensive so there was significant opportunity to automate and streamline operations in order to drive savings and boost end-to-end efficiency for both staff and citizens.

Approximately 1,200 taxi licensing applications are processed annually, placing a considerable administration burden on staff. It is also a complex and time-consuming process for taxi drivers, who had to come to the council offices to submit pieces of paper, sit down with an officer to validate forms and prove identity. These applications then had to be processed and added to back-office systems manually before the taxi driver was asked to return to the office to pick up their licence plates.

Due to the high volume and resource-intensive nature of taxi and private hire licensing the council chose these two processes for the first phase of a project to transform licensing. The second phase would include alcohol and entertainment licensing ahead of roll-out for all licensing services.

Cheltenham was confident that it could drive channel shift in the licensing area as an

“Cheltenham Borough Council has wide ambitions to move its processes away from paper-based manual processes toward more digitalisation. We applied for some funding through the LGA to procure and invest in an online licensing portal that would allow our licence holders to apply for licences online any time of the day using a range of internet-connected devices.”

**Louis Krog, Licensing Manager & Project Manager**

equivalent online application service in the planning area had already achieved over 60 per cent take-up via a self-service portal.

The council applied to the LGA's Digital Channel Shift Programme for £15,000 grant funding to accelerate implementation of a self-service licensing portal that would enable licence holders to apply for licences online, any time of the day, seven days a week, using a range of internet-connected devices.

### Digital Channel Shift Programme

The work at Cheltenham Borough Council to support its innovative use of digital technology has been funded through the Digital Channel Shift Programme, which is managed and overseen by the Local Government Association (LGA).

The Digital Channel Shift Programme was set up to help councils and their partners to promote greater use of online tools and technologies for the benefit of both their customers and staff.

The aim is for the digital tools and solutions created through the programme to be reused by other councils and contribute to the wider work to transform local public services.

# The project objectives and targets

Cheltenham planned to move all licensing processes online. The project's stated aims were to:

- implement an online web platform to deliver licensing services
- offer customers a 24-hour, 7-days-a-week self-service portal
- enable the receipt of online applications
- develop a leaner, more responsive, more effective licensing service.

## Background

The council was an early adopter of the now superseded Electronic Licence Management System (ELMS) launched in 2009. Unfortunately, uptake was slower than anticipated due to its complexity.

This was replaced in 2014 with the GOV.UK Licensing service. Although this offers customers a method of undertaking an application online, the process is not truly interactive or end-to-end. Customers must download an electronic application form to complete, and then upload it to finish the submission process, while the council has to log in to the GOV.UK Licensing service to download and process the electronic application.

Cheltenham received just 178 licence applications – or 7.7 per cent of the annual total – via this online service during financial year 2015/16.

## The project

The project encompassed sourcing and implementing a software solution to integrate with the existing Idox Uni-form licensing case management and Civica WebPay payment systems to provide an end-to-end, digital self-service capability for customers.

Integration with existing back-office systems was deemed fundamental to achieving the efficiencies needed to deliver the desired outcomes. Where possible, the objective

was to make the entire application process electronic, eliminating the requirement for printed material and postage costs and automating processing wherever possible.

The focus of the project's first phase was taxi and private hire licensing, due to the volume of applications in this area.

However, in order to maximise the return on investment, a key criterion in choosing a software solution was the flexibility and potential for rolling out equivalent self-service solutions to other service areas of the council.

## Targets

The council set itself the following target outcomes.

### For the customer:

- interactive access to information – leading to a reduced need to contact the council for application progress updates
- online licensing forms – empowering customers to submit and pay for applications at their own convenience
- faster decisions – less data input required by the council leading to a reduction in end-to-end processing times.

### For the council:

- improved performance – reduced processing time would contribute to an overall improvement in application completion times
- cashable savings – reduced processing activity, printing and postage would offer the potential for reduced operating costs
- capacity growth – the time savings expected from a self-service solution would release officer capacity enabling service development opportunities, eg joint working with the Jockey Club and police over ticket touts at the racing festivals

- reduced paperwork – supplementary documentation would be received electronically leading to an opportunity to make better use of office space
- financial savings – removal of the current cost to the council of £40,565 per annum to provide the service. These savings could be cashable, or could be deployed to income-generating activities
- underpinning digital capability – a solution that could be rolled out to similar services across the council to maximise the return on investment.

“The scope of the project was all licensing undertaken by the council but we took the decision to start with taxis as on a day-to-day basis this was our highest turnover in terms of officer effort and work. So it made sense for us to look at taxis first, implement that and then about a month ago we went live with alcohol licencing and entertainment licensing forms because that was our second highest turnover in terms of the day-to-day job.”

**Louis Krog, Licensing Manager & Project Manager**

The screenshot shows the Cheltenham Borough Council website. At the top, there is a navigation bar with the council's name, social media icons, and a search bar. Below this is a green header with the text 'Licensing and permits'. A breadcrumb trail shows 'Home > Licensing and permits'. The main content area features a grey box titled 'Apply for taxi and private hire licences online' with a description and a list of links for 'Driver licences' and 'Vehicle licences'. To the right is a green box titled 'Licensing training' with a description and an icon of people. Below these is a paragraph about council services. A section titled 'What do you need to do today?' contains four links: 'View or comment on licensing applications', 'See current licensing consultations', 'Find out about the council's licensing committee', and 'Get pre-application advice'. At the bottom, there are three green boxes for 'Taxi and private hire', 'Alcohol and entertainment', and 'Gambling', each with a list of sub-links.

## The approach and progress to date

The council has been working on a commercial transformation programme within its regulatory services for some time and had an established approach to projects aimed at both improving customer services and using technology to streamline the delivery of these services.

The project therefore adhered to PRINCE2 principles as set out in the council's Corporate Project Management Guidelines. It operated within the boundaries of Cheltenham's existing 'Place & Economic Development Commercial Transformation programme', with monthly cyclic highlight/status reporting to the programme board.

Early market research on the government Digital Marketplace had revealed that a number of online licensing solutions contained connectors to the council's case management and payment systems.

Given the anticipated capital value of potential solutions, there was no requirement to undertake a full OJEU procurement exercise. And this was expected to significantly reduce the duration of the procurement stage.

However, after going out to open tender, delays were encountered as the council extended the procurement period to give bidders time to do a practical demonstration of their products which informed the final decision-making process. In the final outcome Idox was selected as the winning partner to implement the online capability.

Due to financial constraints Cheltenham was not able to procure the capability to offer online forms with back-office connectivity for 100 per cent of its licence types. The 'out-of-the-box' solution would cover 85 per cent of applications which in itself would result in a substantial benefit. However, as part of the procurement,

"We wanted to improve the service to our customers and at the same time improve, using technology, the way in which we deliver that work."

**Mike Redman, Director of Environmental Services**

"We went out for procurement. We knew what we wanted and we just added the technical spec. Through that procurement we selected a supplier – Idox – which we were using for our case management system. They were the winning bidders and we have been working since December last year with the supplier implementing the online form product up to a point we were comfortable with and something we could run with."

**Louis Krog, Licensing Manager & Project Manager**

the council purchased a forms builder that would enable it to custom-build its own forms with back-office connectivity for the remaining 15 per cent of lower-turnover applications.

During this period Cheltenham explored opportunities to work with other councils looking to transform licensing services. However, it was difficult to align needs and timescales and the council decided to progress with the project on its own.

The project aimed to focus first on taxi and private hire licensing before a staged roll-out to alcohol and entertainment licences and then to lower-volume licensing services.

Due to delays in the tender and procurement process the council team did not start work with its supplier until late 2017. Four months of design and development collaboration led to launch of the taxi forms for testing in March 2018. The implementation cycle restarted at this point with the alcohol and entertainment forms.

Much effort and focus has been made on ensuring that the forms and underpinning workflow are as user-friendly and simple as possible.

Applicants can now submit an application at any time, from anywhere, via the cloud-based portal. They can also upload all documents and proof of identity required for the licensing process. These applications automatically

populate back-office systems for processing, eliminating the need for rekeying and risks of error and duplication. Case officers now need only pick up the case work to complete the application.

At renewal time, licence holders are automatically sent an email reminder containing a link to their form to complete.

**User engagement and acceptance testing:** Cheltenham has done a lot of work in recent years around systems thinking, end-to-end services and how it could streamline processes. Staff have been engaged with this process and as a result the council had the groundwork in place for moving the licensing process into a digital format.

Service teams were engaged in the co-creation of forms to ensure that the new processes met their needs. Staff were also heavily involved in user acceptance testing (UAT).

External users were also engaged via focus groups and workshops, where taxi and private hire drivers were invited to try the system and feed back to the development team.

The change from the manual process to the new digital service was expected to be a big

cultural change for drivers as they were used to dealing with council in the 'old' way – seeing a piece of paper and sitting down with officers. The change to self-service could be a big step especially for some, in particular those that were not comfortable using technology. Officers were on hand to help and guide people through the new application process.

**Promotional campaign:** a promotional campaign ran for some months prior to the go-live dates. The council was keen to ensure that drivers and alcohol and entertainment licensees were aware of, and ready for, the change. Part of this campaign involved engaging with users to ask them to register their email addresses in advance. It also included publishing articles in trade newsletters and giving presentations at local Nightsafe meetings – a crime and disorder reduction scheme whose members include night time operators, licensed premises and Gloucestershire police.

## Go-live

Cheltenham's self-service taxi and private hire online licensing service went live in March 2018 with the alcohol and entertainment online licences following in October.

Project Milestones	Planned	Actual	Notes
Procurement	July 17	July 17	
External supplier commences work	Aug 17	Oct 17	The council extended the procurement period to give bidders time to do a practical demonstration of their products which informed the final decision-making process
User testing with licence holders, web team and customer services	Sep 17	Nov 17	
Technical testing	Sep 17	Nov 17	
Pre-launch communication and staff training	Sep 17	Dec 17	
Launch of live taxi and private hire licensing system	Oct 17	Mar 18	
Launch of alcohol and entertainment licensing	Jun 18	Oct 18	



## The outcome – successes and challenges

Cheltenham worked with its supplier to deliver a fit-for-purpose online licensing application self-service portal that has involved a complete service transformation.

Drivers can apply for or renew a licence at their convenience in just 15 minutes and back-office processing has been successfully automated, delivering savings and freeing staff time to work on other strategic activities.

The percentage of taxi and private hire applications and renewals received now carried out online since launch is 100 per cent – the shift was made ‘overnight’ with all renewals and applications after this point made online or online with support.

Provision for those customers unwilling or unable to use computers has been made, with

“It couldn’t get any better, at first I was apprehensive it was going to be complicated but Wow no big deal at all really easy.”

**Taxi driver**

“It was so easy. Good being paperless and the process is much quicker, make it even better by being able to pick up the plates anytime.”

**Private hire driver**

“Payment and process online was really easy, but it’s a shame we still have to come into the office to pick up the plates, (it would be easier if we could pick up at any time).”

**Private hire driver**

“Very easy and comfortable and not as scary as first thought. Saves a lot of time.”

Interviewee added that he was very happy, and feels he has peace of mind - even told his friends other drivers how easy it was.

**Taxi driver**

“The new system is perfect and so easy, the only confusing thing is recognising the difference between letter O and number 0. Certainly a step forward.”

**Taxi driver**

“Now the online form takes 15 minutes, they pay online and then it’s up to them to go away do their medical, do their record checks and other assessments and all we want from them is for them to come back and say there’s everything you need.

“The amount of time spared for taxi drivers coming to see us and not being able to work has been greatly reduced and our end-to-end times has been reduced by as much as 60 per cent.”

**Louis Krog, Licencing Manager & Project Manager**

officers available to help them complete applications either face-to-face or over the phone. Feedback on the new service has been positive from both staff and users.

Following successful launch of the first two phases of self-service licensing, almost all forms are now online – including street trading, pavement licences and commodities. The remaining low-volume areas, such as gambling, are currently in production.

The transformation to smart digital online applications has delivered significant benefit to both council and customers. It avoids people being sent paper forms, saves customers time and enables them to apply at their convenience; it then avoids staff having to transcribe paper forms back onto a computer system; all of which had contributed to the financial savings the project has delivered.

“We’ve delivered what we feel to be a fit-for-purpose solution working with our supplier. We’ve had positive feedback from our customer base and the efficiencies we have been able to demonstrate in the back office have been without question.”

**Sanjay Mistry, Programme Manager**

## Financial benefits

Cheltenham Borough Council processes approximately 1,200 taxi and private hire licensing applications a year. The cost to the council of the old manual processing approach was in the region of £40,000 a year. By shifting the process to an online digital one the council has immediately saved this cost.

However, the council found that it had saved more than just this manual processing cost. The council has calculated that by March 2019 the financial savings to the council from digitising the taxi licensing process will total £93,439.74 – including reduced staff costs, payment and process automation, reduced print and postage and the resultant reduction in face-to-face interactions with the licensing team.

Following the launch of the new service the council found that the same volume of work could be undertaken by fewer staff and was able to reduce temporary staff costs by £15,058.

Two vacant posts could be recruited at a lower staffing grade, delivering a saving of £5,362.50, and further support service resource could be redeployed to support commercialisation and service transformation work, reducing the base cost of the licensing team's support service by £22,658 per annum.

In addition direct savings from automating payment for licence applications resulted in £11,790 of savings. Savings from automatic processing of applications equated to £9,205 with an additional reduction in staff time from no longer processing the paperwork associated with applications of £15,274.

“In the current financial climate, a saving of £93,000 a year through shifting to digital is a significant amount of money. And that means we can invest in other services and the saving in officers' time means that they can do more enforcement activities and more of the things that the public needs them to do.”

**Councillor Dr David Willingham, Chair of Licensing**

Area	Annual saving
Admin staffing reduction	£15,058.00
Two vacant posts recruited at lower starting grade, reducing costs	£5,362.50
Redeployment of support service resource to support commercialisation / transformation work	£22,658.00
Direct savings resulting from automating payment for licence applications.	£11,790.24
Savings from processing applications automatically – 263 applications saving 42 mins on average at an hourly rate of £25	£9,205.00
Reduction of paperwork processing for officers	£15,274.00
Printing/stationery/postage costs	£5,200.00
Reduction in face-to-face public sessions	£8,892.00
<b>TOTAL</b>	<b>£93,439.74</b>

Meanwhile, print, stationery and postage costs reduced by £5,200 following automation.

Three months after the launch of the new service the council was able to reduce the regular face-to-face taxi surgeries it ran from three to two sessions a week, delivering further savings of £8,892.00.



## Non-financial benefits

### For the council:

**Improved efficiency:** workflow automation has improved efficiency and accuracy and removed the risk of error that was previously created as a result of having to rekey data.

**Reduced storage:** storage is an issue for all councils and Cheltenham has been working towards reducing paper as part of its overall transformation project. With licensing now digitised there is no need for filing storage and the council has been able to compress some of its office space.

**Increased capacity:** technical officer time has been released to focus on commercial and additional income opportunities valued at £4,000 to £5,000 over the current financial year. In addition, officers have been able to set the council up as a training centre for new taxi / private hire training.

**Improved morale:** internal performance reviews suggest that the new service has had a direct impact on improving staff morale and job satisfaction.

**Positive impact on reputation:** a telephone survey for feedback from customers suggests that the service has not only been well received but that the council has been acknowledged for its good work in improving the service.

**Cooperation with supplier:** the project has initiated a good working relationship between the council and software vendor, which will enable ongoing projects with the council

**New working relationships:** the alcohol and entertainment licensing digitisation has helped forge new working relationships with key partners, such as the police, trading standards, county council and other internal departments.

The whole process is much more efficient because being it's all done electronically I know it's been sent and have proof it's been sent, the council can see it's arrived and can track its progress.

**David Keffler, Private Hire Driver**

"You receive an email reminding you that your licence is due and you click on the electronic link. You use separately sent security codes to allow you to access the council's files and then you can fill in the required. If you need to send in the MoT and other documents you can scan these in too and they are uploaded onto the system which saves you having to bring those documents to the council."

"Under the new system you can copy and paste information rather than write in the information each year which saves time."

**David Keffler, Private Hire Driver**

### For customers:

**Any time anywhere:** customers can now apply and renew their licences anywhere, anytime, on any device, at their convenience.

**Reduced time:** end-to-end application process times have been reduced by 77 per cent for licenced drivers (93 days down to 22) and by 67 per cent for licenced vehicles (27 days down to 9).

**Confidence in licensing process:** customers receive reminder emails for renewals and confirmation of receipt of application and its outcomes – no risk of things getting lost in the post or misfiled.

## Challenges

**Procurement:** the initial procurement process was more challenging than had been expected as available frameworks for software procurement did not meet the council's needs resulting in a decision to go to open tender. This delayed planned project timings. In addition, the process was extended to give bidders time to do a practical demonstration of their products which informed the final decision-making.

**External suppliers:** the council found working with external suppliers was challenging at times. However, the council had a 20-year working relationship with the supplier and felt confident that they would be able to work openly together.

**Staff capacity:** staff had to learn a new system and adapt to the digitised process and time had to be found for this ‘on top of the day job’ – an issue facing all councils in these times of financial constraint.

**Culture:** the internal and external cultural change to get people on board with the project and encourage customers to adopt the shift to online application channels was challenging at times. However, this was successfully tackled by focusing on engaging and working closely ‘with’ people and helping staff and customers to successfully make the shift.

“Sometimes we face the challenge of people saying, ‘It’s not broken so why fix it?’ But once we get into the actual process they can see the benefits and why something that was perceived to be working has now been changed to something else that has improved the situation. It’s getting that mindset across.”

**Sanjay Mistry, Programme Manager**

## Key learning points

**Engagement:** internal buy-in from staff and high-level support from both senior management and councillors is important. Investing time up front to make sure that staff working on the service understand the rationale for the project and the benefits they will gain pays dividends. Equally, engagement with the customer, in this case the drivers, right at the start and involving them in the change is essential.

**Targeted investment to save:** for a relatively small investment the council gained significant financial and non-financial benefits. Councils should not be scared to invest in digitisation, particularly in automating process-driven areas such as regulatory services.

**Joint working not always feasible:** Cheltenham explored joint working on licensing with another council working on a similar project. However, aligning timing, objectives and meeting local needs is not always feasible.

**Beacon of success:** the project has been “a good beacon for the organisation” and had a positive impact on the council’s reputation. The end result has been acknowledged as a success both internally and by other councils – who have visited to see the forms in action.

**Shared learning:** since launching the new service a number of councils have visited and the team is clear on the mutual benefit of such visits and shared learning conversations.

“For us it’s been a no brainer. It required a bit of investment up front but the benefits have far outweighed the investment. For the money we spent on developing these products and implementing them we’ve saved over £90,000. So councils shouldn’t be scared as the investment will definitely pay off especially with regulatory services that are process-driven.”

**Louis Krog, Licensing Manager & Project Manager**

“We are definitely an example of what can be achieved and that, with some hard work, the benefits can be accrued.

**Sanjay Mistry, Programme Manager**

## Next steps

“Staff have felt empowered by the project. There was a degree of frustration about the speed in which we were moving forward with some of our digital ambitions so having the LGA funding was in effect the catalyst for being able to take forward this work and this was very useful.”

**Mike Redman, Director of Environmental Services**

The technology platform that Cheltenham has invested in has the ability to grow and expand into other service areas. The council has already started exploring this opportunity and is looking to roll out online forms to other services.

Licensing was the first service to adopt this new way of working and delivering channel shift. The learning from this project and new forms have been adopted by the council’s housing, environmental health, and planning services and online forms have already been rolled out for houses of multiple occupation with complaints, graffiti and noise nuisance to follow shortly.

With the confidence and learning from the success of this online forms project, Cheltenham has now invested in the technology to allow it to develop its own forms from scratch, in order to delve into other parts of the organisation where ‘off-the-shelf’ solutions do not exist.

The project has formed a key part of delivering the council’s vision to move the whole organisation from paper and manual processes towards digital platforms.

“As part of our strategy we like to invest in technology that we can use multiple times. There was never an appetite to buy something just for a one-hit solution because ultimately then we’d have to go for another solution somewhere else which then increases our overheads. So it was always about looking for the longevity of the product and we saw there was the capability to use it here but also then multiply it as many times as we need to elsewhere in the council.”

**Sanjay Mistry, Programme Manager**

## Contact for further information

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