

Business Case name: The benefits and business case for a focused discovery into new taxi driver applications

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1. Executive Summary

Completing Discovery

The Government Digital Service (GDS) service manual describes Discovery as being finished when we know:

- The scope of the service you want to build
- Whether to move into the alpha phase
- The team of people we need to move into alpha
- That senior stakeholders want to begin building the service and understand your plans
- How we'll measure success and what a successful service would like
- Any related services that exist to meet the user needs and whether they're run by the government or third parties
- How impairments might affect our users
- How many of our users need assisted digital support and what their needs are

Our recent discovery investigated the entire reach of the taxi licensing service in Northumberland, Gateshead and Sunderland. Following GDS standards, we found out who our users are (licensed taxi drivers, applicants and internal staff), our users' needs, the as-is service, pain points and frustrations with their current experience.

We found our users, taxi driver applicants, recorded a strong will and need for digital processes that save them time, money and stress while applying for a taxi licence. However, as we reached the end of our Discovery and analysed our data, we recognised that this Discovery did not suitably answer the above statements and that we were not yet ready to move into Alpha. Though we have proven the appetite for a digital services, further Discovery is required to support the development of this service suitable to the needs of licencing authorities around the UK.

Our findings

We found that taxi licensing services are heavily paper based and rely on multiple points of face to face contact. Most of the service steps are consistent across all three councils, with the exceptions of, child sexual exploitation, processes, policies and order of activities. Authorities use different systems and staff roles, each council is also at a different stage of digital transformation and adoption. The Gov.uk Verify workshop in 2016 indicates that these differences are likely to be national, this is supported by our survey, completed by 98 authorities.

Therefore multiple parts of the taxi licensing journey need standardising to create a uniformed solution. These include stages in the process, language used, requirements from applicants, employee responsibilities, and rules and regulations. This will go a long way to improving services, and our first Discovery identified quick wins that support our user needs.

The taxi licensing process needs more research to determine the scope of the service we want to build which is scalable and suitable to the disparate systems, how we'll measure success, and what a successful service would look like, as well as how impairments might affect our users and whether they need assisted support.

Second Discovery: Our proposal

Therefore, our research team has recommended a follow on discovery to provide a specific direction for an alpha project - resolving the 'new driver' application service process. This particular service stands to benefit significantly from a digital solution, and is an apt spearhead for improving the service as a whole, leading the way for scaling a standardised, national solution. This includes the content and communication, the opportunities for payments standardisation, automation and reduced error rates, better collection of data and data use, as well as verifying the challenges and opportunities we have identified with a broader sample of authorities.

This extended Discovery will allow us to increase our understanding of the new taxi driver application specifically; exposing barriers, frustrations, attitudes and behaviours of those currently in the process. It also will allow us to understand the needs and opportunities of third parties such as Child Sexual Exploitation (CSE) course providers and the Disclosure and Barring Service (DBS), and investigate opportunities to improve. We will refine user needs and build a greater understanding of content needs for successful communication throughout the process, reducing errors and drop offs. Finally, we will identify and prioritise opportunities within the new application process to inform the 'to be' vision and alpha scope, benchmarking and agreeing measures of success.

The scope of our Discovery accounts for the restrictions that impacted our previous work, such as overburn on time and too broad a scope at a specifically local level. Our addition of time for a Solution Architect and extended Business Analysis time will allow us to verify challenges between councils outside our local region and involve a broad variety of senior stakeholders to build momentum and buy in to standardisation. It will also allow us to test the feasibility of a standardised system, and the implications of a 'to be' journey architecture. Focussing on this core journey will also enable us to outline impact for related services that return users to the core journey, such as license renewals, and it will pave the way for improvements to vehicle and operator licenses.

Ministry of Housing, Communities & Local Government's (MHCLG) Support

By following the ambitions of the GDS standards and MHCLG, to flex and change scope according to the needs of users and our councils, we have developed this business case to identify the funding required to support our national ambitions with this project.

We are at a critical juncture in the secure, ambitious digitisation of services, and taxi licensing is an expensive legacy service that would benefit from improvement across authority boundaries. We believe by extending our scope to work with authorities across the UK, we may establish a robust digital offering for issuing new licenses, alongside the required cultural change and support needed across different authorities to ensure uptake and provide a product that is truly open and scalable.

Kind regards,



2. Organisational Need

Gateshead, Northumberland and Sunderland councils delivered this collaborative project to investigate the need for a digitised taxi licensing service. Our data clearly indicates that we face a series of challenges which are impacting the efficiency and safety of our taxi licensing services.

Standardisation

All those involved see the value in a standardised service. But they agree that it will be challenging.

Results from the survey of 98 local authorities' Taxi Licensing services highlighted the lack of standardisation currently. Councils currently use 11 different IT systems plus various third party services for DBS checks.

These are areas that need further investigation for standardisation:

- having a set standard for roles and responsibilities for Licensing team staff across councils
- the DBS process
- guidelines around convictions
- the requirement for CSE certification
- fees for licences and admin
- platforms and tools used in the process
- vehicle licence specifications
- explanations of policies
- the need for the knowledge test to be reviewed - is the current format still fit for purpose?
- Technology, tools and platforms used within the service

Digital inclusion and confidence

The variety in digital literacy of the applicants is a challenge. There is clearly an appetite for a digital service, but some applicants we interviewed questioned how it could work for the less tech-savvy.

User research also highlighted some applicants' lack of confidence using a digital service. Some shared their reluctance to use other online services, such as online banking.

The user needs generated from discovery need to be used when developing a new service. These reflect the need for a simple and efficient service, which will provide help to the applicants who need it. It will also allow them to complete the application offline.

Compliance from users

One challenge is apparent in the current process and potential digital service: both rely on the applicant willingly giving correct and consistent information.

Internal culture change

The appetite for individuals to change their ways of working and responsibilities was seen as a big challenge. Senior stakeholder support is needed to facilitate the policy and role changes required to support digital.

Third parties

Interacting with and reliance on third parties (such as DBS checks) is a challenge to improving the process. Actions and timelines are out of the Councils' hands, and applicants' expectations need to be carefully managed.

Council infrastructure and network to support

Legacy systems need to be changed to the right technology to achieve improved solutions. Wifi/network connectivity issues in rural areas currently impact access to digital data or payments.

Resources and skills internally

Availability and time for staff to contribute to the projects was also seen as challenging. Dedicated project teams are required to allow changes to be made efficiently. Those consulted on the project from wider teams would need senior stakeholder buy-in to invest their time and put in place plans to cover their day-to-day responsibilities in the short term.

Budget and investment

The investment required to make desired changes nationally was raised as a challenge. Technology and systems would need to be standardised.

Local Digital Declaration

We are committed to tackling these challenges. This is in line with our councils' digital strategies and the Local Digital Declaration to:

- design services that best meet the needs of citizens
- challenge the technology market to offer the flexible tools and services we need
- protect citizens' privacy and security
- deliver better value for money

Gateshead, Sunderland, and Northumberland's digital strategies are aligned with these goals:

<https://www.gateshead.gov.uk/media/3074/Digital-Gateshead-Strategy-2015-2020/pdf/0391-PS-Digital-Gateshead-Strategy-2015.pdf?m=636414979438430000>

<http://www.inorthumberland.org.uk/wp-content/uploads/2015/12/Digital-Northumberland-FINAL.pdf>

https://www.sunderland.gov.uk/media/20353/Service-and-Access-Strategy/pdf/Service_and_Access_Strategy_March_2018.pdf?m=636640454802470000

Drivers for Change: Citizen

Understanding user needs is vital to delivering services that people want to use. Needs can be practical and functional tasks. They can also include emotional factors such as needing more confidence and reassurance.

You can achieve a quality service with greater uptake and fewer inaccuracies by designing and delivering a service that:

- meets practical and emotional user needs
- Supports business goals

User groups

Following our first-hand user research, we created user needs from the identified themes for both driver and vehicle licence processes. We categorised them into three user groups:

- someone applying for a licence (applicant),
- operator
- Council licensing team

The service across all 3 councils is lengthy, complex and inconsistent. To move forward, we used 'moments that matter' on both the taxi driver and vehicle licensing journeys. This helped to pinpoint the areas impacting the user experience most.

Driver licence moments that matter

1. First contact with the council
2. Receiving application pack
3. Completing knowledge test and getting results
4. Attending CSE course

Vehicle licence moments that matter

1. First contact with the council
2. Completing vehicle licence forms
3. Booking vehicle test
4. Vehicle test
5. Receiving licence from council

From our investigation, we discovered there were strong drivers to change from the perspectives of our users: staff, drivers and citizens

Digital appetite

There's a desire for a simple and efficient digital process from everyone involved. Each user group described a clear benefit to themselves, and in some instances, how they believed it would benefit the wider audience. Digital literacy of drivers varies. Some will need support if they struggle with technology or have limited access to the web.

Lack of confidence in the service

A perceived unfairness from the Council breeds mistrust amongst applicants. Existing taxi drivers and applicants often hear information second hand which fuels rumours of unfairness such as larger operators receiving preferential treatment.

Lack of confidence in the systems and process

Internally, there is a lack of confidence in the processes which support the service, leading to multiple handoffs, double checking and additional steps for the applicant such as proof that they have picked up a licence.

Responsibilities

Applicants are expected to complete the process independently, although some operators offer support to those who need it. Operators shared how they believe it is the Council’s responsibility to screen applicants, ensuring they’re ‘fit and proper’¹ to become taxi drivers.

It’s apparent that each council distributes tasks and responsibilities differently among their staff. This needs to be addressed going forward to achieve a standardised process.

Transfer of information between council and applicant

The Councils feel that the information they provide isn’t always acknowledged by applicants, resulting in repetitive questions. Applicants feel some tasks in the process are duplicated or they are confused by their unclear purpose.

Time

Everyone involved is frustrated by the time-consuming process and the multiple locations they are required to attend at different stages of the application process. Operators struggle to recruit drivers as applicants often drop out due to wait times.

Drivers for Change: Council

Our biggest driver for change is the need to modernise our engagement and contact channels. Licensing services’ contact with service users is very costly and inefficient due to the predominance of in-person or voice to voice engagement in Gateshead, Northumberland and Sunderland. From our recent measures, this comes to an average of:

Gateshead, Northumberland and Sunderland Licensing Services Channel Shift	National Taxi Licensing Services Channel Shift	Gateshead Council all services channel shift
<ul style="list-style-type: none"> ● 40% Face to face ● 24% Letter ● 23% Telephone ● 8% Email ● 5% Online digital application 	<ul style="list-style-type: none"> ● 42% Face to face ● 20% Telephone ● 15% Email ● 13% Letter ● 10% Digital 	<ul style="list-style-type: none"> ● 70% telephone ● 14% email ● 11% online digital application ● 2% face to face

We estimate that face to face appointments which are often cross checked, rescheduled and admin heavy, reach over one million annually with over 460,000 licensing applications . Many of those are related to the new licensing journey. Wider than licensing services, Gateshead Council’s recent review of how citizens contact and engage with council services indicates a remaining reliance on forms of contact which are not self-service, despite a cultural and council drive towards digitisation:

¹ The ‘Fit and proper’ person test is stage in the application to determine an applicant's suitability to be a taxi driver. What is considered to be ‘fit and proper’ is locally determined by all licensing authorities and forms the basis for decision making for Officers and Councillors . Additional information can be found in the following report: Local Government Association (2017). [Taxi and PHV licensing: Councillors’ handbook \(England and Wales\)](#). London: LGA, p.13.

This indicates that despite many local authority services being available online, citizens still choose to contact authorities through other means, or begin their engagement online and drop through different contact modes, with the preferred default channel being telephone. This indicates that a more carefully explored approach to digitising services and pushing self-service is required in order to affect high quality channel shift in citizens towards digital means of engagement.

Understanding the national resource required to deliver taxi licensing services provides a very strong driver for change. Based on our local authority survey results we have calculated estimated national figures for system costs, the number of Licensing Assistants and costs and the number of applications received for new and renewal driver, vehicle and operator licences (see table 1).

Current Cost of the problem

A digital service for new licence applications will therefore be vastly beneficial to authorities. Collectively, Gateshead, Sunderland and Northumberland receive around 4,000 applications a year, with estimated costs in excess of £1.1Million. A report recently published by DfT 2018 showed 285,400 licenced vehicles in England in 2017; using regional costs, we estimated that 2017 delivery costs across England exceeded £80m. Further research has shown, that with different licensing processes in each authority, mostly paper based, there is a risk of error for both applicants and Council staff.

By focussing on the journey and service of applying for a new taxi licence across multiple authorities and third parties, we could reduce national costs and risks for assigning licenses to drivers in a complex new digital field around mobility and market penetration of different vehicle types. Not only will this improve experience as above, we estimate that administration costs could be reduced by £39 per application. By committing to a focussed Discovery, we increase the likelihood of suitability of the solution and national uptake of a consistent digital system, from third parties to councils themselves, developing political will and a strong database for Alpha, should we find the technical processes are feasible and commercially viable for authorities.

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<i>Table 1</i>	Measure	Average of 98 surveyed authorities	Surveyed authorities total	Scaled national Totals
	Population	188,000	18,424,000	66,996,364
	Cost of systems annually	£22,600	£2,214,800	£8,053,818
	Number of staff working on Taxi Licensing	4.3	421	1,532

Cost of Licensing Assistants annually	£148,380	£14,541,250	£52,877,272
Number of new driver applications annually	88	8,624	31,360
Number of driver renewals annually	427	41,846	152,167
Number of new operator applications	7	686	2,495
Number of renewal operator applications	19	1,862	6,771
Number of new vehicle applications	132	12,936	47,040
Number of renewal vehicles applications	618	60,564	220,233

Costs are for Licensing Officers only, using Gateshead Council pay scales, and therefore estimates are very conservative. We have also been unable to include costs for Licensing Management, Safeguarding Teams, Customer Services, Regulatory Committee and any other internal staffing.

Costs attributed to outside organisations that are involved in taxi licensing services have also not been included due to the complexities of establishing such costs.

These conservatively estimated resources and costs, along with the highly inefficient, time consuming and costly contact channels support a very strong case for change. Our initial Discovery provided significant insight and an understanding into the significant scope of identifying, implementing and embedding a future solution.

3. Project Proposal

To deliver a further Discovery with focussed scope on the new taxi licensing journey, testing its technical feasibility, its usability, and its commercial viability as a scalable national process.

We will be focussing on the implementation process, the technical capacity and the tools required for delivering a digital solution for the specific new applications user journey. This Discovery will be national in scope, assessing the scaled impact of a new licence application service which is suitable for enforcement and safety needs across multiple authorities. We will use our current information to identify gaps in knowledge that need to be investigated in collaboration with a sample of authorities across the UK, engage with citizens and establish a strong case for digital standardisation and careful service design across taxi licensing services, starting with the new licensing journey.

By focussing on the new licensing service, this can be scaled rapidly at low cost to other licensing authorities, reducing cost and processing time, while enhancing the customer experience and public safety. This will also set the stage for digitising further licensing processes, such as application renewals and test bookings.

We recommend a **12 week national and comprehensive Discovery phase.**

A 12 week Discovery would allow for:

- wider council involvement outside of the region working in collaboration with their teams
- an increased number of shorter collaboration sessions, rather than lengthy days with lots of activities
- adequate time for in-person user research and shadowing as we know that remote sessions with these user types may be unlikely
- the research to follow individuals through large sections of the process for in-the-moment insights
- researchers to follow the process for themselves

Suggested team for 12 week Discovery:

- **Service Designer 50%** - sets the vision, purpose and principles in collaboration with stakeholders to create 'as is' and 'to be' service blueprints
- **Content Designer 30%** - defines the content strategy and sets guidelines for content creation
- **User Researcher x1 100%** - plans and undertakes research to help everyone develop a deep understanding of service users.
- **Consultant x1 50%** - plans and undertakes research, conducts analysis, managers stakeholders and council teams
- **BA 60%** - works with the solutions architect and stakeholders to scope the project, capture and manage user stories.
- **Solutions architect 50%** - works with wider council teams to explore current systems and their purpose to inform recommendations

We are asking for support for the ensuing costs of approximately: £183,300 **IN DISCUSSION**

4. Strategic Case

Our first Discovery focussed on understanding the wider services, needs and opportunities across taxi licensing, and the potential for standardisation across councils. Using these insights, we recommend a follow-on discovery to provide specific direction for an alpha project across a slice of the licensing service.

Resolving many aspects of the new driver application process will improve related services such as renewals, paving the way for improvements across the whole service range. This includes increasing user compliance, reducing error rates and protecting the safety of citizens

This discovery will investigate in depth the technical feasibility of a standardised process on a national scale, adhering to our ambitions to be open and collaborative, and reducing the risk of project failure and overspend in Alpha. We will also investigate the user's journeys across the service, at the back end and front end of the service, the content required to facilitate service improvements and meeting our challenges.

MHCLG Intervention

MHCLG will provide us with the catalyst to change that we currently struggle to achieve. In particular, we require funding to support innovation and Discovery outside the core tasks our staff commit to every day, and to generate internal agreement, training and understanding of the requirements of digital transformation that have uptake by staff and citizens, and supports their need. We come up against a lot of resistance to change, therefore if MHCLG support us with national drive and attention, and leadership involvement (as stipulated in the Local Digital Declaration), we gain momentum and support in Local Government.

MHCLG intervention will also enable us to outsource subject matter experts particularly user researchers, service designers and solutions architects, to support, collaborate with, and upskill Local Government stakeholders. User research conducted by skilled practitioners is key to providing robust, quality data and strategies for digital transformation. We can provide this information transparently in clear, digestible reports, available nationally, that will establish how we have actively engaged citizens, staff and service users and found rich information that can be channeled into digital development and upskilling our internal teams. We need access to these skill sets to support internal cultural change to a more proactive, engaged agile environment.

Without MHCLG support, our access to skills in these areas is much reduced, the process will lack data and momentum, and the level of involvement required from internal staff who do not have the time or support to engage with our strategy. As shown in our previous Discovery, the transparency and availability of the information we can provide through this project will be invaluable to other Local Authorities looking to improve their service offerings and save on costs in a manner that is supportive of cultural needs and development.

Objectives

MHCLG have registered ambition to empower their funded projects to flex and change based on the findings and learnings in line with GDS advised processes. This business case is founded on that ambition, and our recommendations have been chosen because they mitigate risk and facilitate cultural change. Based on our previous research, replacing the entire digital taxi service at once is extremely high risk to drivers, staff and citizens, with likelihood of low uptake and transition mistakes.

Through this new approach we are able to focus on a 'service slice': the viability of digitising and standardising a new applications service nationally, that creates consistent, low risk practices across different councils in a manner that minimises disruption to their current process flow.

Stakeholder issues

We intend to engage with a multitude of stakeholders in the taxi licensing services, including service heads, digital transformation managers and other senior stakeholders. Issues may arise with accessibility to teams and in particular senior stakeholders, who have dedicated a lot of time to this work so far, this is not sustainable in the long term and will need to be carefully planned.

Another issue to raise is the national scope of this Discovery and the access required to a variation of councils. We will need to engage with a representative sample of Local Authorities delivering taxi licensing services to account for the variation of needs across the UK in a standardised service program. This includes working with county, district, metropolitan, borough and devolved bodies as well as those who are at different stages of development alongside digitising the taxi licensing journey.

5. Economic case

Taxi licensing services are funded on a “cost recovery basis”, meaning that fees collected fund the delivery of the service. This includes the administration associated with processing/handling applications, and enforcement activity, which includes:

- Taxi Rank inspections;
- Operator inspections;
- Vehicle inspections;
- Operations with the Police;
- Operations to ensure that illegal taxis are not working in the area;
- Free up more time to carry out inspections in other licensing areas (scrap metal sites, Street Trading and others)

An expected benefit of a digital taxi licensing service is that it may reduce administration to free up time that can be spent on proactive enforcement activity (outlined above) that will ultimately serve to enhance public safety. It is not possible to quantify the enhancement of public safety specifically, but it is possible to demonstrate opportunities for reductions in administration, therefore, more capacity for enforcement.

Through this Discovery project we have identified three areas of administrative activity: phone calls, the number/duration of meetings and processing effort required to complete an application. From the user journey mapping, however, how administration is carried out differs significantly between each partner council. The figures below are derived from the process analysis carried out in Gateshead only, therefore, represent an initial estimate of the costs of administration.

Baseline Cost of Administration

Cost of Handling Calls

A digital solution will likely result in a degree of channel shift, reducing the time spent on handling telephone calls for initial contact and follow-up questions, or rework. Following local analysis of telephone calls we have been able to identify the number of calls per application and the cost of handling those calls. We can then model the impact different degrees of channel shift may have.

Extent of Channel Shift	Calls per Application	Cost of Calls per application
<i>Current state</i>	3.61	£1.98
50% Channel Shift	1.80	£0.99

60% Channel Shift	1.44	£0.79
70% Channel Shift	1.08	£0.59

Cost of Meetings

Process analysis and user journey mapping highlighted each council has a different approach and purpose to their face-to-face meetings. The frequency and duration of meetings can differ significantly.

Licence Type	Avg. Time Spent on Meetings (Hrs)	Cost per Application
Driver	1.29	£20.75
Vehicle	2.67	£42.83
<i>Average</i>	<i>1.98</i>	<i>£31.79</i>

Cost of Processing Effort

Process analysis of Gateshead's licensing service provides an indication of the effort required to deliver a paper-driven service.

Licence Type	Cost per Application
Vehicle	£10.71
Driver	£9.37
<i>Average</i>	<i>£10.04</i>

Overall Cost of Administration

On the basis of the key areas of administration outlined above, the overall cost is as follows:

Area of Admin.	Baseline
Phone Calls	£1.98
Meetings	£10.04
Processing	£31.79
<i>Total</i>	<i>£43.81</i>

Current Enforcement Capacity

With an understanding of the costs related to administration, we can estimate a current baseline and the current capacity for enforcement. As the service is funded on a "cost recovery"/"cost neutral

basis” and that the fees pay for the delivery of the service, it can be assumed that the proportion of the fees not spent on administration is spent on enforcement.

Licence Type	Baseline
Vehicle	69.48%
Driver	65.33%
<i>Average</i>	67.40%

Preferred Option

Our preferred option of further Discovery (See Section 8) will provide an opportunity to test our assumptions around the impact digital improvement may have and frame more clearly around Driver applications and to understand any differences across the nation.

Specific benefits to investigate further, outlining the effect of the project for both currently contributing authorities and wider collaboration include:

- Test the assumption that a reduction in administration costs will lead to greater enforcement capacity and identify other opportunities a reduction in administration may have.
- What is the likely channel shift based on the digital appetite of taxi drivers?
- What is the likely impact of reducing the number of meetings?
- To what extent can processing be reduced or automated and what impact will this have?

Potential Improvement

Channel shift

Based on the digital uptake of similar services on gov.uk and the local performance of digital service, we estimate that there will be between 50-75% on channel shift. Based on call volume and duration at Gateshead, this may reduce the cost of handling calls per application from £1.98 to £0.79 - a reduction of £1.19 per application.

A full end to end digital licensing services will still require the need for face to face contact, e.g. when completing a locality and knowledge test and CSE course. Furthermore, all calls and emails to the service cannot be removed as some applicants will still require non-digital contact channels due to their lack of digital skills and/or access to the internet which is important to mitigate digital exclusion.

Reducing meetings/touchpoints

We estimate reducing the number of meetings may have an impact on the cost of administering the service. Based on the process analysis carried out during this Discovery the current cost of meetings on average is £31.79 per application. If the number of meetings is reduced could result in a reduction of £10.60 per application.

Process efficiency

It is expected that digital improvement would reduce the manual processing and checking. It will be an opportunity to automate as much as possible and reduce the costs associated with this area of administration. Based on past experience of redesigning digital services, it is possible to achieve a reduction in processing by 60%. Based on this assumption we can reduce the cost of per application from £10.04 to £4.02 - a reduction of £6.02 per application.

Overall reduction in cost of administration

Based on the estimation that improvement could have across the three areas of administration, an overall reduction on the cost of administration could be £17.81 (or 41%) per application. This 41% reduction can be extrapolated to the end-to-end process analysis carried out across Gateshead's services. Providing an estimate the future cost of administration following digital improvement. The following table shows the future cost of administration (adjusted for optimism bias):

Cost of Admin.	Baseline	Adjusted for Optimism Bias ²		Average
		Adjusted Lower Limit	Adjusted Upper Limit	
Current	£78.30	£86.12	£120.57	£95.00
Future	£46.19	£50.81	£71.14	£56.05

On the basis of these estimates the cost of administration may be reduced by £39 per application. Data extrapolated from our Local Authority surveys suggests that on average there are approximately 460,000 applications annually to taxi licensing services nationally. Using these figures, there could be potential to make efficiencies of £17.9m nationally. This reduction will potentially offer an opportunity to shift capacity from administration to enforcement activities.

Development and delivery costs

Delivery costs for this Discovery are indicated in Sections 6-7 (particularly 6.1). Development and delivery for the Alpha, if proven viable, will be scoped based on the findings in the national Discovery and the ongoing strategy for implementation.

Number of councils in the UK willing and able to adopt this service

With a very strong response to our local authority survey, we would hope a similar level of engagement in the next phase. We would aim to obtain responses from a large sample of authorities representative of different council structures, to include: county, district, metropolitan,

² Optimism Bias is applied to baseline to project a range of costs for administering an application (see appendix 1 for more detail). It is calculated following the HMT Green Book Optimism Bias Methodology: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191507/Optimism_bias.pdf

town and unitary. We will also ensure a mix of influential factors is taken into consideration, such as:

- Rural and Urban make-up
- Economy
- Demographics
- Stage of digital development
- Current cost of licensing services
- Current issues in licensing services

Due to the unique and specific nature of licensing in London boroughs, we recommend excluding London-based councils from this investigation as it will be of minimal benefit to these areas which already follow an alternative licensing process.

6. Summary of options

We entered into this Discovery with the intention of assessing the viability of a digital service which could progress into an Alpha. Due to the discovery comprising of concurrent research streams across three councils and a national survey, we concluded quite late on (within the last two weeks) that going into Alpha was not viable. As the discovery phase timescales (9 weeks) and budget were fixed, it was not possible to pivot the project to accommodate a change in focus and team requirements.

Taxi Licensing is made up on several service offerings:

- a) New taxi driver licence
- b) Renew a taxi driver licence
- c) New vehicle licence
- d) Renew a vehicle licence
- e) New operator licence
- f) Renew an operator licence

Early on in this discovery project, we uncovered the complexity of the services and shifted part of the research focus on the new driver application in detail whilst keeping a broader high-level look at the other service areas. This allowed us to understand the user needs across the service, the potential benefits and transferable learnings to other areas of the service.

To take the new driver application into an Alpha, further insight is required into how this can practically be achieved in terms of the infrastructure, technology, third party systems, resources, and required changes to internal cultures across a wider range of authorities. This will ensure a service that is truly open, scalable and valuable to authorities beyond our initial collaboration.

We took several options under consideration while analysing data from our research and from the project, including the use of time and required team members. However, our experts clearly recommended that the best step forward was to engage with a second, focussed Discovery around the core user journey for drivers which is also a 'moment that matters' for staff and applicants; first

applying for a licence. This service is the most complex, with more requirements and interventions by licensing teams and applicants. Findings from this investigation can also be scaled out across simpler but more common services, such as renewals.

6.1 Short listed options

Option 1: Second £80k Discovery - Not recommended

We considered embarking on a Discovery of the same calibre as the first, with a similar team. However, based on our experience in the previous Discovery, we do not believe this would be suitable for the needs of the national development of safe and consistent licensing services. Time was stretched thin simply investigating this on a local scale, our team put in significantly more effort than the funding allowed to reach our recommendations. This would be a limited Discovery and may not have the scope to work with citizens and users to the level we need to meet their needs. Also, to move into an Alpha the existing team makeup would need to be supplemented with more specialist resource to evaluate and recommend the technology and platforms to practically enable an Alpha.

Due to the in-depth nature of the work required (see Section 7), and the constraints based on the delivery team for this Discovery of this cost, we do not believe that this option is suitable to creating a truly scalable licensing programme for local authorities nationally. It will have to be limited to the three local authorities with which work has so far been conducted, and extension to other authorities would only allow light-weight consultation and limit our analysis. Our previous Discovery work significantly overburned on time, had reduced project management, in order to fit it in on budget, and this was only at a local level. To create in depth technical, content and usability work suitable for scaling nationally, the costs and team must reflect those needs.

Second Lean Discovery Phase	Details
Cost	£80,000
Benefits	<ul style="list-style-type: none"> • Short timeframes and costs as constrained to 3 local partners, extension nationally would be through light consultation and surveys only • Proven working relationship within previous Discovery
Achievability	<p>Following the same process as the initial Discovery, we would extend our results around the new taxi driver licensing journey and explore it in-depth with the core partners. This is to provide the robust knowledge we are seeking with this next stage of work to recommend movement into Alpha and define requirements for a scalable programme.</p> <p>The initial project was successful, and this would simply extend the same formula.</p>
Outcomes	<ul style="list-style-type: none"> • Research report detailing further findings, supplemented with some national interviews to

	<p>follow up on national survey responses</p> <ul style="list-style-type: none"> ● Create a standardised to-be journey and process bought into by the 3 local partners. ● Viability of move into Alpha suitable only with the involved partners as a proof of concept for national standardisation, and consultative approval with further authorities
Affordability and Value for Money	Highly affordable, value for money for partner councils, low value for money for national initiative
Risks	<ul style="list-style-type: none"> ● Limited work with wider national authorities to validate systems or technologies background ● High risk of overburn on time and not achieving goals of Discovery if all three authorities can't agree on a 'to be' journey and processes ● Alpha would only be applicable to partner councils ● Perceived as repetitive rather than value add to participants ● No content work to achieve quick wins and scalable outputs identified in discovery

Option 2: Straight to Alpha - Not recommended

The alpha phase would use a test and learn methodology to explore the highest risk areas. This will iterate potential solutions for digitising the new driver applicant process by looking at both front-stage for the end-users and back-stage processes and systems

Straight to Alpha	Details
Cost	Not currently estimated
Benefits	<ul style="list-style-type: none"> ● Fast paced ● In line with initial ambitions ● Quicker move to tangible benefits
Achievability	<ul style="list-style-type: none"> ● The move to Alpha is unlikely to be achievable in an open and standardised manner across authorities ● No user stories on which to base Alpha ● Requires further research to explore 'to be' journey and national feasibility ● Requires further investigation to recommend technology and platforms to support a standardised approach to build upon
Outcomes	<ul style="list-style-type: none"> ● Iterated prototype of the areas of the new driver's license application process which could/should be digitised based on testing with real users ● Refined back-stage processes and systems to support the new process

	<ul style="list-style-type: none"> Validated assumptions/hypotheses around the areas of the service which could be digitised such as the knowledge test (currently paper based for most councils). Refined user journey to marry up new digital aspects with in-person touch points including plans for assisted digital support Move to Beta (if viable)
Affordability and Value for Money	As the scope of Alpha is not clearly defined, the affordability of Alpha is low at this point - a larger team would be required to scope the solution and test potential options over a long process of trial and error.
Risks	<ul style="list-style-type: none"> High risk of project failure High risk of non-viability for other councils High risk of non-scalable product High risk of digital exclusion High risk of non-viable beta Low collaboration Against GDS Digital Service Standard recommendations to move into an alpha without a verified discovery Technical Discovery and technical constraints was not in the scope of initial discovery Risk of not understanding the impact of changes as no consistent benchmarks or means to measure change exist across partner authorities

Option 3: Second Discovery - CHOSEN OPTION

Using the insights from the initial Discovery, our team recommended a follow-on **12 week** Discovery to provide a specific and more viable direction for an Alpha project. During the service scoping workshop, stakeholders found more opportunities (and more benefits) to improving the new taxi driver application process compared to vehicle licensing. Resolving many aspects of the new driver application process will improve related services such as renewals, paving the way for improvements to vehicle and operator licenses.

We intend to extend the reach of this Discovery, testing the viability of a standardised process with different councils, investigating how far the variation goes between different licensing bodies and using this to generate a clean scope for Alpha.

Second Discovery Phase	Details
Cost	£183,300.00
Benefits	<ul style="list-style-type: none"> Comprehensive cover of national council variations Mitigating risk going into alpha Focussed scope with extended benefits (renewals, content) In line with GDS recommendations

	<ul style="list-style-type: none"> ● Engaging with 6 core national authorities (etc 1-2 per sprint) and a further 14 authorities for extended consultation ● Flexing in line with user needs ● Tight focus on new licensing application journey ● Range of team skills <p>Financial benefit and value for money</p> <ul style="list-style-type: none"> ● Low risk of overburn ● Low risk of significant scope change ● Low risk of project extension in Beta or Alpha ● Developing technical Discovery investigating the diverse systems make up in UK to make clear platform recommendations ● Refining measurements of success scalable ● Investigating the extreme variation in new license application times ● Significantly reduced risk in implementation and uptake in Alpha ● Significantly reduced risk of project failure or expense at extension ● National buy in to service and investigation
Achievability	<ul style="list-style-type: none"> ● Retains the momentum delivered so far ● Developing user, systems and process knowledge with extended core partners as well as a wider range of local authorities (20 in total), with the appropriate team assigned (See section 8) to carry forward both quick wins and a scalable, impactful service ● Focussed strategy enables us to continue directly from previous report ● Conducted by experienced external team in partnership with council teams ● Combination of technical consultation and user research; multi-method engagement ● Flex according to needs and findings ● Engaging with authorities already expressing interest ● Greatly reducing risk from movement directly into Alpha
Outcomes	<ul style="list-style-type: none"> ● Feasible technical strategy for new taxi driver licences; commercially viable and usable ● 20 national authorities engaged across a representative sample of needs ● Encouraged collaboration and working in the open nationally ● National stakeholder buy in ● Standardised 'To be journey' and plan for supporting process changes ● Hypothesis and assumptions to take into alpha ● Build momentum and digital care nationwide ● Recommended systems architecture and technical requirements to enable a standardised, reusable

	<p>approach</p> <ul style="list-style-type: none"> ● Benchmarking KPIs to measure change ● Alpha scope for service update ● Content needs and quick wins ● Mitigated risks for further digital services related to taxi licensing ● Committing to open standards
Affordability and Value for Money	<p>With MHCLG support for this comprehensive Discovery, this estimate for a skilled team gives us the best foundation from which to take us into a successful Alpha phase that is truly scalable. Through investing up front, we will reduce the risk of designing and delivering a solution that is not fit for purpose.</p>
Risks	<ul style="list-style-type: none"> ● We may not recommend proceeding to Alpha; though the need is well established this investigation must explore the technical viability and user journey ● We may struggle to agree standardisation or requirements which are suitable on a national scale ● Key stakeholders may not be made available ● Our proposed solution may not be viable for all authorities ● We will not be given required access to third parties ● We will not have required access to systems and infrastructure.

Option 4: Do nothing

GDS guidelines recommends regularly assessing whether a Discovery or Alpha phase should continue or whether the proposed solution will not meet user needs or yield cost savings or process improvements and the process should 'stop'. Our initial phase of Discovery identified a need for a digitised service and 'moments that matter' - areas where improvements would make the greatest impact on the service. However, blockers to moving to an Alpha Phase right now were also identified including internal culture and the complex third party systems that vary across local authorities. Therefore, in this instance, we would recommend continuing with Discovery, but refining the focus on a single 'service slice'.

Second Discovery Pase	Details
Cost	No initial investment would be required and no benefits will be realised. The service would continue to cost what it does now.
Benefits	No benefits will be realised.
Achievability	No change would be required.

Outcomes	Service remains as it is Potential to make small immediate improvements, particularly around content through the 'quick wins' identified within the initial Discovery.
Affordability and Value for Money	<ul style="list-style-type: none"> ● No change to service, no upfront investment, no cost associated initially ● Service will continue as is, not scalable or future proofed heavily paper based and resource heavy ● More investment will be required in the future ● Scale of investment will be greater due to growing gaps in council processes and digital maturity
Risks	<ul style="list-style-type: none"> ● Service remains disparate with different processes across Councils ● Council's continue to operate the licensing service with different levels of digital maturity with the gap getting bigger ● The process remains heavily paper based ● A resource-heavy and costly process

Engagement Plan

Our Local Authority taxi licensing survey identified an additional 31 Councils who had a keen interest to continue to be included in this project. As these participants represent a diverse range of LA types, locations, sizes and demographic we are confident they would form a strong basis for inclusion in a future discovery project.

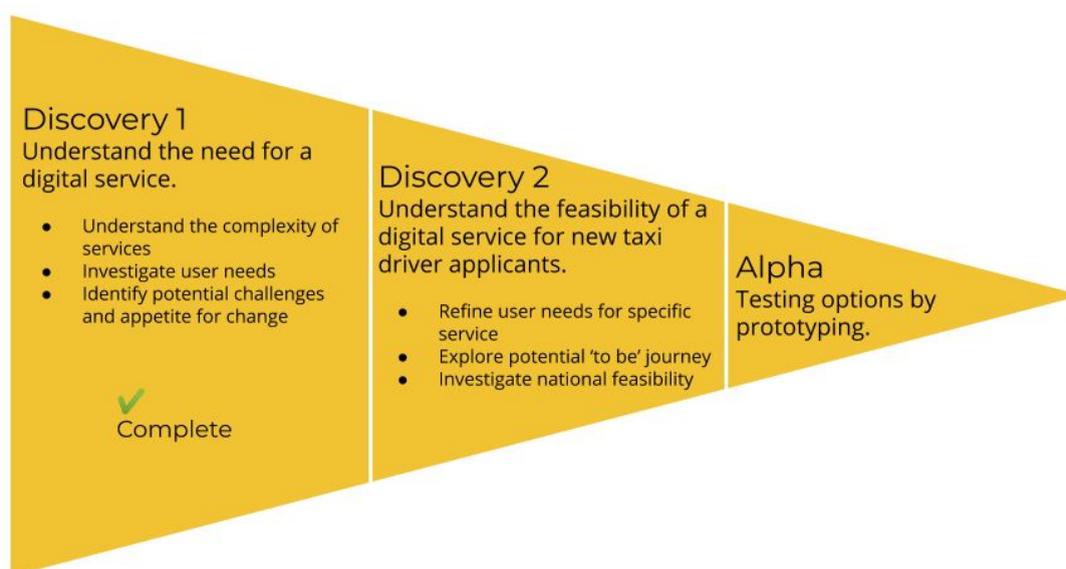
7. Schedule and Team

7.1 Summary

The first Discovery provided an understanding of the wider services, pain points and opportunities, the initial user needs across user groups, and explored potential challenges to standardisation. The intention of this work was to validate a move to Alpha. However, we found during analysis that the case for Alpha at this point was too high risk. The systems and needs across different authorities remains too disparate and complex to launch straight into the development of a scalable system. An extended Discovery is required to reduce risk in the case for ongoing development. Using our insights, we recommend this follow-on Discovery to provide specific direction for an Alpha project.

During the service scoping workshop, stakeholders found more opportunities (and more benefits) to improve the new taxi driver application process compared to vehicle licensing.

Resolving many aspects of the new driver application process across users, interfaces and systems will improve related services such as renewals. It will pave the way for improvements to vehicle and operator licences.



A summary of the new proposed project approach to expand Discovery with the aim to move into Alpha

7.2 Our approach

A further discovery would allow us to build on our initial learnings of the specific aspects of an applicant's journey. We've managed to gain a high-level understanding of each stage in the journey, but not always in great detail, such as understanding the variencies in the Knowledge test, application forms and other data collected across different local authorities.

Early indication from licensing employees has highlighted how individual aspects could be improved and standardised, such as all authorities offering the DBS Update Service. However, we would require additional detail to understand how individual aspects, processes, policies and communications could be improved and standardised on a national scale.

Based on our findings and the detail required in this Discovery, we have adapted our learnings to develop an approach specific to the needs of this Licensing journey on a national scale.

Key activities

1. Deeper insights around the current new driver application process

Team: User researcher, consultant, content designer and core partners

- First hand research with those currently using the service to gather more detailed feedback and refine user needs for this service. This will further inform the areas of the service which could be digitised to realise benefits.
- Collaboration with 6 core partner local authorities to understand variencies between councils on a national scale to inform user stories.
- Collaboration with third-party providers which impact the service to understand their needs and barriers

2. Verification of processes and user journey with wider range of councils

Team: BA and User Researcher, consultant, core partners and collaborators

- Engage with 6 core partner local authorities to understand variencies in their process
- Verification with up to 14 additional local authorities (collaborators) to gain a more rounded consensus of variencies, challenges and business needs.

3. Learnings from those already digitising the service and follow up on national survey

Team: BA, Service Designer and User researchers

- Engaging with local authorities to understand how they have overcome challenges raised, identify any unforeseen challenges and the success stories
- Follow up on National survey responses to gain additional insight into key findings such as the large variance in the time it takes to process an application (survey responses indicated a range of 1-17 weeks)

4. Create a standardised 'to be' user journey to propose for Alpha

Team: Entire team and core partners

- Detailing which aspects of the service will be digitised, change to processes and order of tasks.
- Plan on how we propose supporting those who require digital assistance or alternative methods at each stage of the new journey
- Update user needs (including content needs) based on 'to be' journey
- Hypothesis and assumptions to take into alpha

5. Agree recommended technical architecture and technical requirements to move into an Alpha phase - feeds into user stories

Team: Solutions architect, BA, core partners and collaborators. National survey input if

required.

- Technical investigation into integrations, current platforms and technologies used (and why) by the 6 core partners, and up to 14 collaborators to inform the starting technology setup and requirements.
- Process mapping and comparison between 6 core councils, verified with 14 wider local authorities to understand what data is collected, how data is transferred currently and the variety of tools and integrations.

Who we'll engage with

We need to conduct a breakdown of the different councils by those responsible for the taxi licensing journey across the UK- with the expectation that we would require a range across county, district, metropolitan, borough and devolved.

We will focus on 6 core partners for the investigation which will build on our work so far between Gateshead, Northumberland and Sunderland. This will align complex internal technical work with end user research in each council. This will facilitate the rich quality of our analysis and its applicability at all stages of the new licence application process.

We recommend basing our research on the initial three councils from the primary Discovery, and develop our internal knowledge with these pre-established partners. For the expanded partners we would invite representatives who have expressed an interest and who help meet the variants detailed below.

- Northern Council urban
- Southern Council (not London) urban
- Scottish Council (devolved)
- Welsh Council
- 1 week or shorter application process
- 18 week application process
- Mid range - 9 week application process
- Northern council - rural
- Southern council -rural
- Close range rural Councils (if applicable)
- Close range urban councils e.g. West Midlands and Birmingham
- Northern Ireland Council
- Western Council - urban
- Western Council - rural
- Eastern Council - urban
- Eastern Council - rural
- High affluence authority (measured on life expectancy and average income)
- Low affluence authority (measured on life expectancy and average income)
- High intensity new taxi applications
- Low intensity new taxi applications

The current discovery identified unique challenges presented by those in rural locations or urban which we would seek to validate further. By engaging with the outlier councils with 1 week and 18

week process times and a median licensing authority (~9 weeks), we will be exposed to a range of practices valuable for this research.

We will expand our Discovery through consultation with a further body of councils (collaborators), engaging with a representative sample from across the UK. This will, as above, focus on location, population, affluence and licensing needs to prioritise contact, though we cannot guarantee all ideal councils will be willing to be involved. Our aim is to work with 14 wider collaborators in this research, and to conduct a national survey in line with the needs of this Discovery if required. Collaborators will be responsible for conducting their own research to feed into the discovery as well as providing data or SMEs as required. This means our expectation is to engage with approximately 20 authorities.

7.3 Deliverables

These are the core deliverables of a Discovery of this nature, however, these may flex and increase depending on the needs of MHCLG and the Discovery progress.

Output	Action
Business case	We will gather information about the process, and associated costs to deliver the 'New Licence Application' taxi licensing service. Using in-house service redesign/business analysis resources, supported by a data analysis, we will capture and analyse the process and cost cost of an "as-is" process and compare and contrast with a proposed "to-be" process. The aim to demonstrate whether any improvement can contribute to a value for money case.
User research report	We will publish all outputs on Gateshead Council's website throughout the discovery phase detailing our user research findings. We will follow common standards and best practice set by GDS and local government to produce a final report.
A summary report & recommendations	A summary report will be produced detailing our findings and the outputs. The report will be used to provide a rationale determine whether we proceed to an alpha phase or to evidence why we should not proceed to alpha.
User Stories	We will set requirements and user stories for the development of a prototype going into Alpha, these will relate to the overall user journeys but not individual features. Within this we will also capture hypotheses and assumptions to validate with real-end users within Alpha.

Platform Recommendation	We will recommend the platform to be used for scalable development of a consistent licensing service across authorities. This will also be experimented with during alpha to uncover any issues on a smaller scale.
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7.4 Objectives

Increase understanding of new taxi driver application

- Understand barriers, frustrations, attitudes and behaviours for those currently in the process.
- Understand the needs and opportunities of third parties such as the CSE course provides and DBS. Investigate opportunities to improve.
- Refine user needs and build a greater understanding of content needs throughout the process.
- Identify and prioritise opportunities within the process to inform the 'to be' vision and Alpha scope.
- Benchmark and agree measures of success to ensure the impact of change can be measured.

National opportunities

- Verify if challenges identified between Gateshead, Sunderland and Northumberland are also shared by other councils outside of the region.

We have had correspondence with other Local Authorities who share very similar issues to those of Gateshead, Sunderland and Northumberland. We have spoken with a Business Analyst at Durham County Council. Durham are conducting a business process review across their licensing department to make processes more efficient, improve the customer journey and to reduce complexity. Durham are to start with Taxi Licensing in the first phase of service redesign.

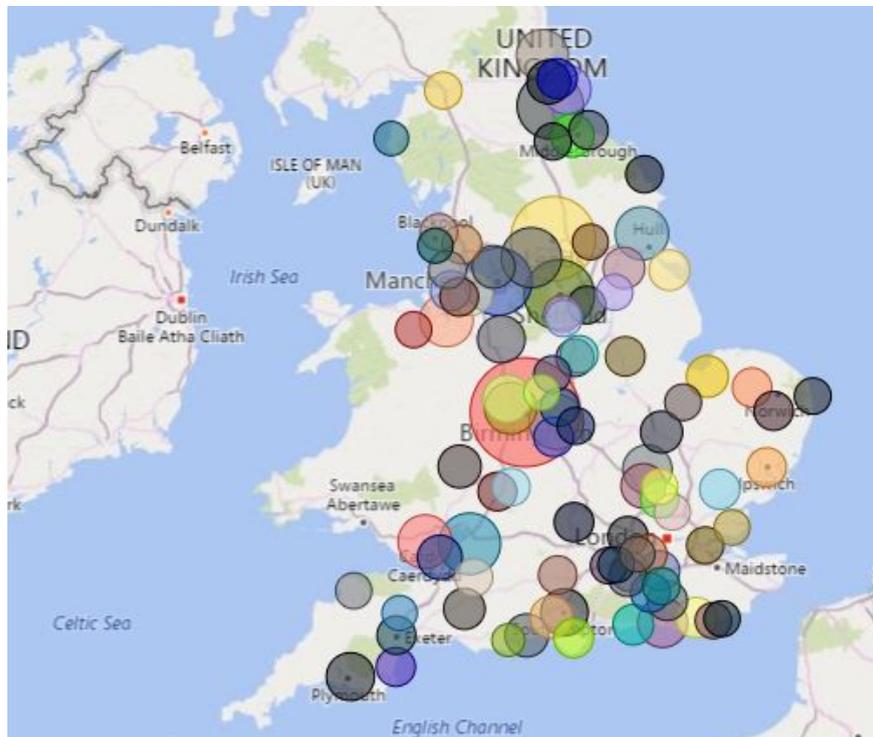
We have had correspondence and been provided with documents from a Digital Business Analyst at Nottingham City Council. Documents showed a solution proposal they hope to implement in the future for digitising Taxi licensing and a benefits spreadsheet supporting the need for change, the same need for change we have in Gateshead, Northumberland and Sunderland.

We have had correspondence and been provided with information by a Council Solutions Officer at Aylesbury Council; providing insight into how Aylesbury digitised their taxi licensing services.

One similarity to the work planned or implemented by a small number of local authorities is that they are local and specific to each authority, using existing systems, processes and procedures. Whereas the work we are undertaking hopes to identify and develop a solution that will address the plethora of issues all authorities have but on a national level.

In addition to direct correspondence with other local authorities regarding the work they're planning to or have undertaken and the challenges they have faced, we also created a Local Authority survey to begin to understand the wider picture. Due to the short timescales we limited the window for completing our Local Authority survey to 1 week. However, the response was very high with 98 Local Authorities completing the survey, looking after a population of over 18.5million citizens (see

map showing snapshot of respondents). The significant response and interest evidences the national interest and therefore need to identify and implement a new and improved solution.



The significant response and interest in the project bodes well for taking forward a second phase. The existing links and engagement undertaken will allow us to involve wider councils and senior stakeholders to build momentum and buy-in to standardisation.

Feasibility

Understand the capabilities and limitations of existing systems based on collaborative councils and survey responses.

“It never clicked that we had so many software tools that didn’t work together”

Northumberland Licensing Team

Understand the technology and process implications of the ‘to be’ journey.

Recommend the architecture and process required to support a standardised national service.

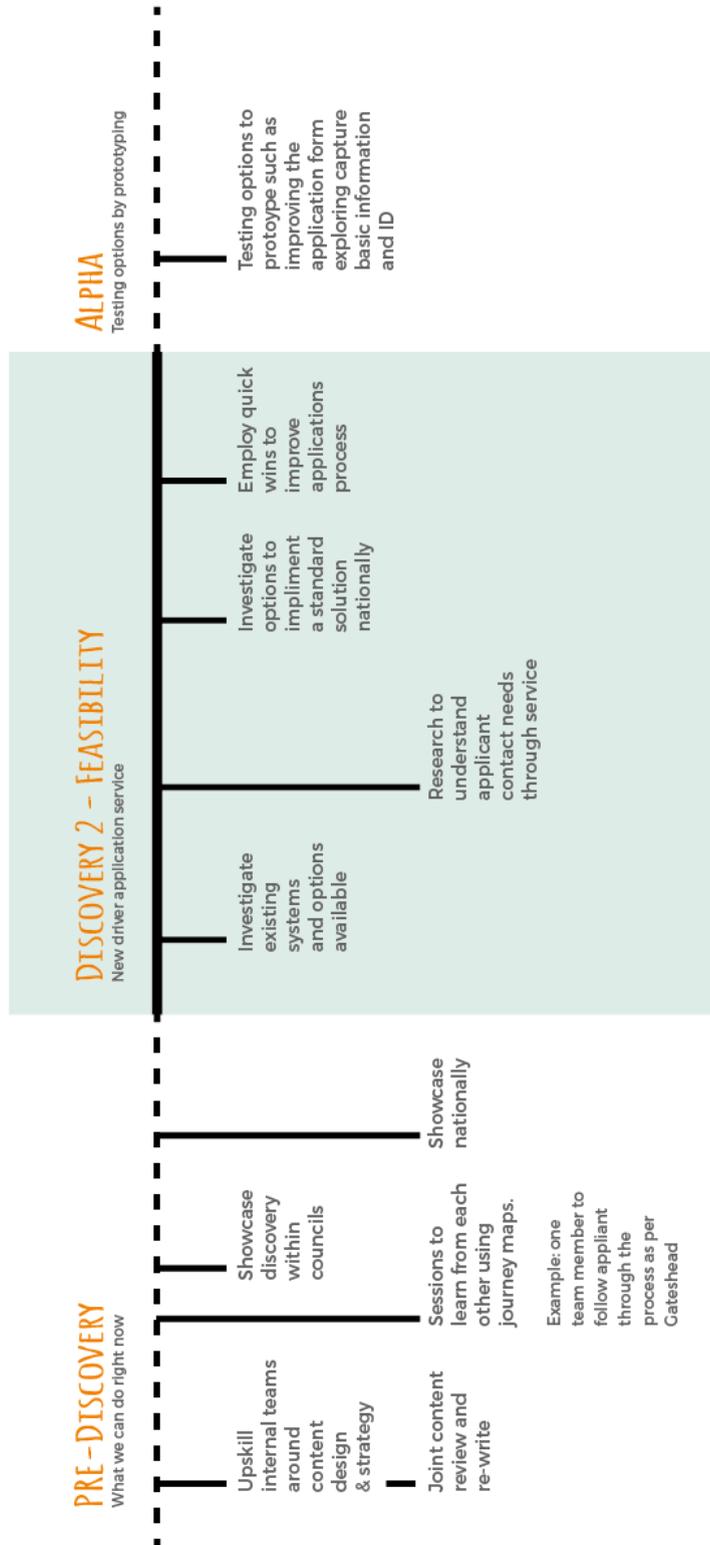
Beyond Discovery: Alpha

If the focused Discovery concludes that the digital service is feasible, we will move into an Alpha phase. This phase will serve as a proof of concept for standardisation on a small scale.

The Alpha phase will use a test and learn methodology to explore the highest risk areas. We will iterate potential solutions by looking at both front-stage for the end-users and back-stage processes and systems.

7.5 Project Plan

Indicative project plan. Full plan will be developed in due course.



7.6 Milestones

These milestones are indicative, and based on the expected funding deadlines from MHCLG.

Deadline	Event/activity	Milestone/Measure
May 2019	Procurement of specialists	- Procurement completed
June 2019	<ul style="list-style-type: none"> - Formalised agreement - Project team established with Roles & Responsibilities - Project Plan - Project kick off meeting - Agree project charter between User Research, BA, Solutions Architect and Content activities 	<ul style="list-style-type: none"> - Project start; - Signed agreement - Multidisciplinary team formed, ready to start Discovery - Initial project plan
June 2019	<ul style="list-style-type: none"> - Benchmarking: data analysis, information gathering - assign ownership - Build hypotheses for user research (UR) and establish plan - Commencement of round 1 UR - Commencement of technical infrastructure research 	<ul style="list-style-type: none"> - Baselineing/data gathering completed - Hypothesis and research plan complete
26/6 - 28/6 June 2019	<ul style="list-style-type: none"> - GDS Academy training (TBC) Agile for teams training, Development managers and team leaders 	- Training complete
July 2019	<ul style="list-style-type: none"> - Analysis of 1st round of UR - Plan 2nd round of UR and build hypotheses. - Second round of UR - Second round of technical infrastructure research continues 	<ul style="list-style-type: none"> - Show & tell of analysis - Stage 2 UR plan - Second round of UR complete
July 2019	<ul style="list-style-type: none"> - Synthesis of findings across User Research, BA, Solutions Architect and Content activities 	- Show and tell update

August 2019	Solution options analysis: <ul style="list-style-type: none"> - 'To be' User journey; - Processes; - Digital solution 	<ul style="list-style-type: none"> - Recommendations report complete - Discovery outputs produced and shared.
August 2019	Final show & tell session with: <ul style="list-style-type: none"> - licensing services - taxi trade - local authorities - senior LA employees - councillors 	<ul style="list-style-type: none"> - Show & tell sessions completed
End of Discovery		
September 2019	Business case and evaluation	<ul style="list-style-type: none"> - Business case and evaluation completed

7.7 Team

The number of days required from council resource is dependent on the number of councils we are able to engage in this study, the availability of their resources and the set up of their systems beyond the collaboration of Northumberland, Gateshead and Sunderland. The delivery team is estimated on a 12 week agile Discovery detailed in sections 7.1-7.5.

There is also the potential for the Gateshead digital team to supplement the team as they have undertaken GDS training which would lower the risk of stretching resources too thinly across a national scale.

Delivery Team Resource	Quantity required
User Researcher	60 Days
Consultant	30 Days
Agile Project Manager	24 Days
Solutions Architect	30 Days
Business Analyst	36 Days
Content Designer	18 Days

Service Designer	30 Days
Travel and Training Expenses	TBD
User Incentives	TBD
Council Teams Resources	
Digital Leads/ Delivery Managers	140 Days
Support Officer	50 Days
Licensing Teams	140 Days
Service Redesign	140 Days
3rd Party Product Owners	5 Days
Evaluation cost - advice from procurement, legal and finance	5 Days

7.8 Governance structure

N/A at this point, a collaborative governance structure as in the last Discovery is recommended.

8 Benefits Case and Impact Case

8.1 Background

The Local Digital Declaration affirms the collective ambition for local authorities and their services to collaborate, delivering services across government boundaries to provide better services for citizens. This includes scaling up work to:

- Design services that best meet the needs of citizens.
- Challenge the technology market to offer the flexible tools and services we need.
- Protect citizens' privacy and security.
- Deliver better value for money.

Our initial Discovery into the Taxi Licensing processes was conducted with the intention of moving into Alpha. However, our findings indicated that it would be more valuable to citizens and to local public services to conduct a focussed Discovery with broader national reach. We believe this will be most effective in achieving these goals of the Local Digital Declaration, the goals of our authorities and supporting the needs of authorities across the UK.

8.2 Measurable Benefits

Within our initial discovery, we collectively agreed the following measures for the service. The discovery also highlighted the varying levels of data available across the different councils involved. As a consistent means of data collection and ownership was not available, this discovery focused on agreeing the achievable measures and assigning ownership within our final show and tell session.

The measurable and qualitative benefits outlined below are indicative of the benchmarks to be collected in the proposed follow on discovery:

- Improve communication
- Reduce waiting time
- Reduce hand-offs
- Reduce duplication
- Reduce non-value added actions
- Reduce checks/touch points
- Reduce paper/admin
- Improve customer experience
- Reduce processing time
- Reduce potential for user error
- Reduce phone calls
- Reduce complaints
- Reduce printing costs
- Reduce staff processing time
- Reduce internal post
- Quicker online process
- Reduce time to review knowledge test
- Streamline journey
- Reduce 3rd Party involvement

8.3 Social Benefits

Indirect Benefits	
Agile staff	Data sharing capability (internal and national)
Digital life skills	One portal to provide application status to all staff
Better use and collection of data	Best practice application management
Online public register	Reusable and scalable process
Continue to maintain/enhance public safety	Reduce errors (Name validation and insurance docs)

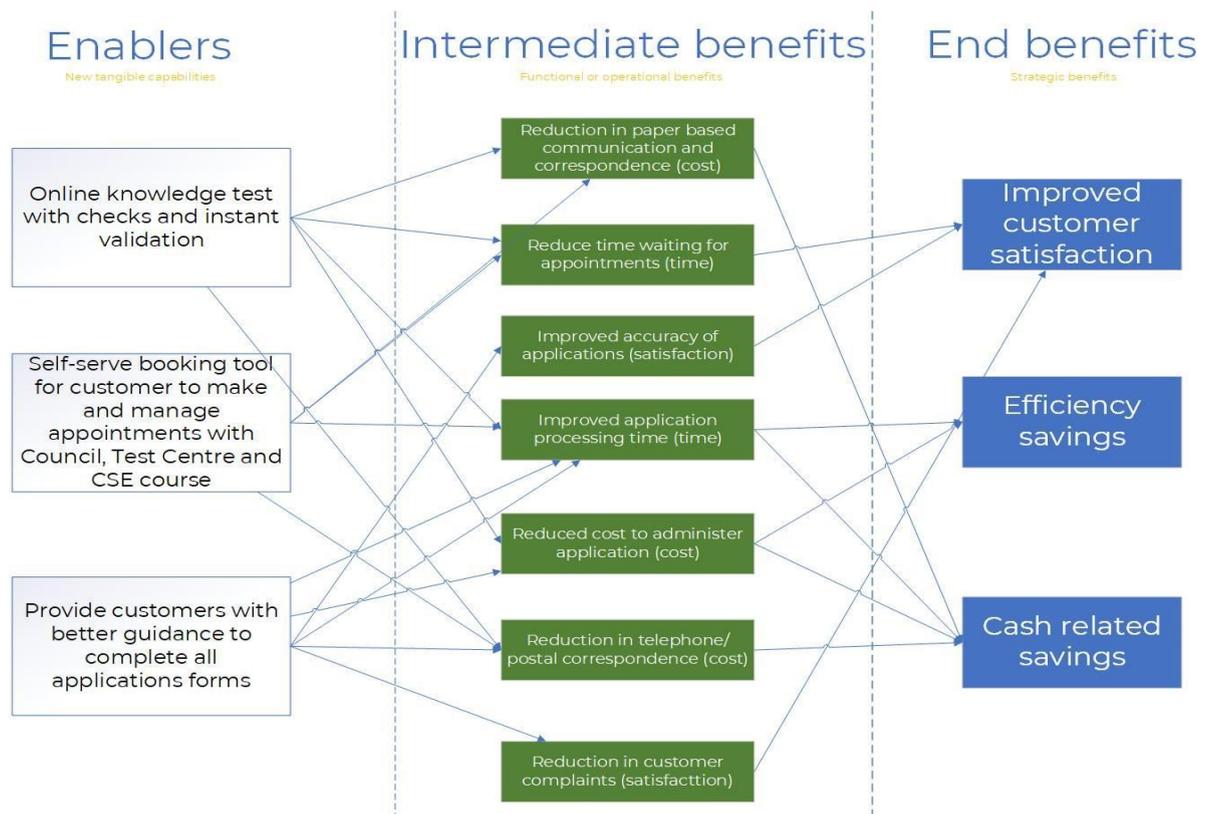
Standardisation of policy	IT system fit for purpose
Staff morale	Performance dashboard

8.4 Disbenefits and Mitigations

Disbenefit	Mitigation
Job satisfaction	By working with staff coordinating the new licensing journey we will work to measure and understand the parameters of job satisfaction particularly before and following a digitalisation process.
Change in process	By working with staff, licensing officers and drivers, we will support the design of a process, if viable for Alpha, based on need and expectations as well as strong data. Involving national staff in the discovery, actively engaging them, contributes to this change in process.
Staff reduction	The outcome of digitising processes is often fear that staff will be reduced, and problems will go unsolved for end users; our focus in this study is on reducing risk, not staff numbers, and more effectively distributing time in the authorities with which we are working.
Digital exclusion	Digitisation comes with the risk that those with low digital literacy or comfort levels will be excluded by digital processes. Our work will be accessible by design, including the active national engagement of those engaging with the service at both the front end and back end, while also addressing clear mitigations for potential exclusion from a digital or at points automated process, while also giving citizens opportunities for alternatives.

8.5 One page benefits model illustration

This is the benefits matrix described in our initial Discovery, exposing the interdependence of benefits on a robustly designed service form the front end to the back end in order to achieve goals in Local Authorities. By benchmarking these benefits at intermediate and end, we establish clear measures for tangible and intangible benefits of investigating and establishing a New Taxi Licensing Application process.



9 Costs required (IN DISCUSSION)

Description	Estimation	Cost
Project Team	Estimated on 12 week discovery including content analysis	£183,300.00
Council team	Estimated based on previous discovery	£165,000.00 (NOT INCLUDED)
Estimated incurred cost	Estimated at 10% of project cost	£18,330.00 (BROAD ESTIMATE)
Total funding required		£201,600.00

Other funding models would need to be investigated to finance this Discovery project. This could include asking participating organisations to make a small contribution to the cost.

10. Social Benefits

10.1 Quick Wins

- Amendment of application forms and guidance (reading age of 9)
- Amendment to information on the Internet (reading age of 9)
- Changes to appointment system.
- Further training of Processing Team
- Re-allocation of tasks within Processing Team.
- Review of all procedure notes for Licensing Assistants
- Increased vehicle testing slots available
- Offering a Knowledge test session immediately after or before CSE training.
- Changes to the signage at Northumberland's Stakeford Depot
- Offering online payments options.
- Offering online appointment booking
- Confirmation that where vehicle is tested at Northumberland's Stakeford, Licensing appointment immediately follows. Link between vehicle test booking and licensing calendar needed.
- Review of knowledge test questions
- Review of knowledge test arrangements - more slots made available, confirmation of assistance available

10.2 Social Improvements

Culture and buy in

A big challenge to the digital service is the internal appetite for change. Leadership buy-in, along with motivated and engaged people within organisations are critical to creating successful services. Understanding their needs means you gain trust and support from those who make or break service design. Communicate up-front the purpose behind changes and the benefits of any proposed changes. This will help others outside the projects understand the need for change.

Involve wider teams in discovery and alpha. This will make research insights visible, and build empathy for change within teams.

Provide training and shadowing opportunities to build confidence in digital. Shadowing or conducting a Q&A session with services which are already digital will reassure staff of change and provide useful insights into ways of working.

In the short term

Showcase the work to date to wider teams within each local authority and encourage their engagement.

Consider how to share the work nationally, such as at an expo or follow-on event.

Communication

Applicants aren't aware of what they need to do, how to do it, or what to provide at the beginning of their journey. Providing clarity early on will help a more informed and painless user journey. Many of the applicants seemed to be unaware of why they were required to provide information or attend meetings. They felt they were often duplicating effort.

Communicate who does what, and explain why each task is necessary to the service. Being transparent and defining a clear purpose will help improve the applicant's understanding and develop a trustworthy relationship.

Applicants shared how they often need to communicate the same problem or query multiple times, resulting in this user need: *I need any licensing team employee I interact with to be knowledgeable of my application, so that I can get satisfactory answers to my questions.* Aim to reduce the number of face-to-face touchpoints in the end-to-end journey. Travelling and attending appointments can be costly, time consuming and impact on an applicant's day to day work.

In the short term

Licensing teams should provide a dedicated team member to process an application throughout the applicant's journey. Gateshead have already adopted this approach and have received positive feedback from applicants. This would also help reduce the perception that the Councils are difficult to contact, as applicants would have a single-point of contact.

Other research opportunities

Our discovery research activities highlighted further research opportunities.

End-to-end residents and taxi driver journey

Conduct research with residents and taxi drivers to map their end-to-end journey with a focus on public safety. This could feed into proactive activities to improve public safety and reassurance. Taxi drivers also fed back that their own safety is also important, and could encourage more applicants.

Participatory sessions with taxi drivers and operators

The Discovery research highlighted discrepancies on expectations and responsibilities between taxi drivers, operators and licensing staff. Participatory sessions with these groups would allow topics to be explored collaboratively and a common language created to clearly communicate roles and responsibilities. The insights could also inform service improvements and hypotheses to explore during Alpha phase.

Engaging with Local Authorities who have achieved high digital take up

Our research identified both Aylesbury and Cheltenham councils who have achieved up to 100% digital uptake in implementing self-service solutions for Taxi licensing. We intend to engage with both Councils in the next Discovery phase.

Engaging with the Department of Transport (DfT)

The [DfT have recently closed a consultation](#) that sought views on proposed statutory guidance to taxi and private hire vehicle (PHV) licensing authorities on how to use their licensing powers to protect children and vulnerable adults. Their findings would help inform how this project could enhance public safety.

10.3 Key Performance Indicators

The Discovery work at this point is to define and benchmark Key Performance Indicators for the new applications journey, and how to measure them moving into Alpha. However, measuring success across Discovery should be a function of the ongoing work, marking the appetite for involvement from the different councils (which has previously been demonstrated by the 98 local authorities who contributed to the surveys) and ambitions for change across these councils.

Measuring success across peripheral, intangible benefits is based on the KPIs going into Alpha, extracting the use cases and needs of our users, both staff and drivers, and co-designing what success looks like for them. Within the Discovery work, however, we can initially measure success and engagement by number of staff engaged, their response to their active involvement in wider Discovery, and their engagement with upskilling sessions and GDS training.

In terms of benefits measures beyond Discovery and into Alpha, tangible and intangible benefits must be clearly indicative through implementation and understanding of intermediate benefits vs end benefit (see section 7.5), and the correlation and interdependence of the two. Benchmarking tangible intermediate benefits, through Discovery KPIs allows local authorities to indicate the success of intangible end benefits of quality and satisfaction in a new service.

F11. Risks and issues

<i>Risk no.</i>	<i>Risk description</i>	<i>Mitigation</i>
<i>R001</i>	<i>Stakeholder availability</i>	<i>Show and tell events. Communication and engagement strategy. Resource plan.</i>
<i>R002</i>	<i>Unable to agree a way forward between the councils</i>	<i>Collaborative working. Local variations.</i>
<i>R003</i>	<i>Lack of resources(time/money/skills/people) available to continue the project</i>	<i>Resource plan. Project objectives.</i>
<i>R004</i>	<i>Key staff members leave the local authority</i>	<i>Succession planning. Build relationships with leads in other authorities. Share skills and resources.</i>
<i>R005</i>	<i>Lack of senior stakeholder buy in for the project</i>	<i>Showcase Event. Communication and engagement Strategy.</i>
<i>R006</i>	<i>Unable to agree on a common service pattern for the project</i>	<i>Collaborative working. Local variations. Policy review.</i>
<i>R007</i>	<i>Technical solution/system doesn't fit across all councils IT infrastructure strategy</i>	<i>Agree common service pattern with local variations.</i>
<i>R008</i>	<i>Unable to replace legacy systems - lack of funds, want to change, other services use the system as well</i>	<i>Phased approach to project changes.</i>
<i>R009</i>	<i>Third parties not willing to participate in the project or change their systems</i>	<i>Work together with other Local Authorities to submit case to third parties.</i>
<i>R010</i>	<i>Contract dates across councils for systems ending on different dates</i>	<i>Review contract dates for systems.</i>
<i>R011</i>	<i>Council(s) pull out of the project</i>	<i>Agree commitment requirements to the project</i>
<i>R012</i>	<i>Difficulties in getting required level of user research completed in time frame</i>	<i>Recruitment time, use recruitment agency, offer incentives.</i>
<i>R013</i>	<i>Gaps in understanding in local authorities processes and policies</i>	<i>Review processes and policies.</i>
<i>R014</i>	<i>Unable to deliver project in 12 week timeframe</i>	<i>Regular project meetings. Collaborative working. Achievable objectives. Resource</i>

		<i>plan. Skills matrix</i>
<i>R015</i>	<i>Project objectives are not met</i>	<i>Communication and Engagement Strategy. Regular project meetings. Achievable objectives.</i>
<i>R016</i>	<i>Delays in implementation of the project</i>	<i>Regular project meetings. Collaborative working.</i>
<i>R017</i>	<i>Decrease in staff morale</i>	<i>Discussions/meetings with all staff involved in the process. Phased project with support for staff. Training.</i>
<i>R018</i>	<i>Negative publicity</i>	<i>Communication and Engagement Strategy.</i>
<i>R019</i>	<i>Rework required</i>	<i>Regular project meetings. Collaborative working. Additional resource required by local authorities</i>
<i>R020</i>	<i>Additional pressure on project staff working across multiple projects</i>	<i>IS Resource Plan. Define roles within project. Skills matrix.</i>
<i>R021</i>	<i>Local authorities have other project priorities</i>	<i>IS Resource plan. IT strategy. Stakeholder buy in.</i>
<i>R022</i>	<i>Low take up in the digital solution</i>	<i>User research. Marketing Strategy. Support. Operator engagement and support.</i>
<i>R023</i>	<i>Increase in complaints</i>	<i>User research, use more than one channel. Agile development.</i>
<i>R024</i>	<i>Dissatisfied customers</i>	<i>Councils to provide omni-channel options. Feedback. Agile development. Support.</i>
<i>R025</i>	<i>Don't have skills for the project</i>	<i>Training. Identify staff with skills to offer support and training to others.</i>
<i>R026</i>	<i>Additional staff required to support the digital take up</i>	<i>IS resource plan. Agree funding and recruitment.</i>
<i>R027</i>	<i>Unable to integrate end to end solution</i>	<i>Phased approach. Meetings with suppliers. API's /web services. New solution.</i>
<i>R028</i>	<i>Project overspend</i>	<i>Digital project board.</i>
<i>R029</i>	<i>Data governance</i>	<i>GDPR privacy notice. Legal. Informed consent.</i>

Appendix 1: Supplemental Explanation: The step-by-step methodology for the economic case

Background

The aim of the economic case was to demonstrate how digital improvement could impact public safety. There is no direct link between a more digital service and improved public safety. A digital service, however, may contribute to enhancing public safety by freeing up resources from the administration of taxi licensing toward proactive enforcement activity.

The economic case was a first attempt at trying to estimate the size of the shift from administration to enforcement within taxi licencing.

The Method

The following sections gives an overview of the steps taken to calculate the impact of digital improvement on the cost of administering a taxi license.

1. *Establish the cost of administration.*

Using the data collected through process analysis with Gateshead Council to understand the cost of administration per application

Optimism bias is then applied to the baseline establishing a range for the costs of administration. This approach was used in the absence of data from other authorities about the costs associated with administering a license application.

The average across the different license types, gave us a range of costs between: £78.30 to £120.57. Table 5.6 in the Business Case (new numbering scheme)

2. *Estimate the baseline cost for improvement*

The model features three areas of improvement: reduction in call handling, reducing the number of meetings, process efficiency.

The costs associated with each area was calculated using Gateshead data and calculated in the following way.

a. Call handling

Using Gateshead telephony, the average call per application can be calculated:

$$\text{Calls per application} = \frac{\text{No. Calls}}{\text{No. of Applications}}$$

The average call duration was calculated in the following way:

$$\text{Time per application} = \text{Talk Time} \times \text{Calls per application}$$

This can be assigned a cost:

$$\text{Cost of Calls (£)} = \text{Time per application} \times \text{Staff cost (£)}$$

b. Meetings/Touchpoints

Using Gateshead data again, the number of meetings and duration was identified, and costs calculated as follows:

$$\text{Time spent on meetings} = \text{No of Meetings} \times \text{Average Duration}$$

To attribute cost:

$$\text{Cost of meeting (£)} = \text{Time spent on meetings} \times \text{Staff Cost (£)}$$

c. Process Efficiency

Using Gateshead data, we identified tasks associated with processing applications, inputting documents on systems, arranging meetings, checking paperwork etc. This allowed us to capture the processing time and associate a cost to that processing by application type.

$$\text{Cost of Processing per app (£)} = \frac{\text{Processing time} \times \text{Staff costs (£)}}{\text{No. of application}}$$

3. Estimate the impact of improvement

Quantifying the impact of potential improvements in key steps. The assumptions for each area are explained in the following section.

a. Call Handling

Using our experience of launching digital services locally and looking at the wider success of digital services nationally, we established projections for digital uptake.

Locally there is a channel shift around 60% when new digital services are launched. Based on the service performance Department of Transport digital services (for example, driving license renewal had an uptake of 51%; Driving Licences changes has a digital take of 66%.) It's on this basis that we set projections for digital uptake of 50%, 60% and 70% as reasonable expectations for this service. This will be refined in future stages of the project, whether discovery or alpha.

The impact of this is shown in Table 5.1 of the report. It was calculated as follows:

$$\text{Calls per application} = \frac{\text{No. Calls} \times \text{Channel Shift Rate}}{\text{No. of Applications}}$$

The same methodology as point 2a was applied to establish the cost per application.

b. Meetings/Touchpoints

The review of the process highlighted meetings/touchpoints that could be potentially reduced. For example, in Gateshead a Vehicle Grant process has a meeting at the end to verify the test document and provide the plate to the applicant. This could be removed with a digital solution and the impact is calculated using the methodology in point 2b.

c. Process efficiency

Following a review of the process there were several instances where there is form filling, checking and processing. Based on previous experience of end-to-end transformation locally, the resource can be reduced by 60% with a digital solution

A 60% reduction was applied to the processing time of the process and the methodology in point 2c was applied to calculate the impact of this change.

4. Reconcile the impact of improvement

The three areas above are only a proportion of the overall process and do not account for the total cost of administration. There are other areas of the process that were not included, for example: Committee Process and Safeguarding involved, as they were perceived to be too difficult to change at this point and therefore determined to be out of scope of a digital solution at this stage in the project.

The table below shows the impact the improvements may have:

Table 1: Impact of the improvement per application

Area of Improvement	Baseline	Digital Improvement	Difference (£)	Difference (%)
Phone Calls	£1.98	£0.79	-£1.19	40%
Processing	£10.04	£4.02	-£6.02	40%
Meetings	£31.79	£21.19	-£10.60	67%
<i>Total</i>	<i>£43.81</i>	<i>£26.00</i>	<i>-£17.81</i>	41%

The key figure from this table is that the impact of the improvement overall is a 41% reduction. In the absence of any other data at this stage of the project, applying the 41% reduction was deemed to be a reasonable expectation of a digital solution. This could be tested as the project progresses into future stages.

5. Consolidation and application of Optimism Bias.

The 41% reduction was then applied to the original baseline costs of administration and optimism bias applied (in the same as step 1 above) to establish a range of potential costs.

Table 2: Baseline following improvement with OB applied

Licence Type	Gateshead Baseline (£)	Adjusted – Lower (£)	Adjusted – Upper (£)	Average (£)
V. Grant	£66.01	£72.61	£101.65	£80.09
V. Renewal	£40.30	£44.33	£62.06	£48.89
Driver (PH/H)	£39.24	£43.16	£60.42	£47.61
Drive (Hybrid)	£39.24	£43.16	£60.42	£47.61
<i>Average</i>	<i>£46.19</i>	<i>£50.81</i>	<i>£74.14</i>	<i>£56.05</i>

6. Splitting between administration and enforcement

The final step is to quantify the resource available for enforcement activity following reductions in administration. This is based on the following calculation:

$$Cost\ of\ Enforcement = \frac{Cost\ of\ Administration}{License\ Fee} - 1$$

Using this calculation, we can see the differences in the costs of administration and how that increases the costs that could be used in enforcement activity that may result in enhanced public safety (contrasting the GMBC baseline):

Table 3: The impact on Enforcement, current and improved in Gateshead.

	GMBC Baseline – As-is	GMBC Baseline - Improved
Licence Type	Enforcement Activity %	Enforcement Activity %
V. Grant	61	77
V. Renewal	78	87
Driver (PH/H)	64	79
Driver (Hybrid)	66	80
<i>Average</i>	<i>67</i>	<i>81</i>

Assumptions/Flaws

Assumptions

- The costs for Gateshead Council are a reasonable baseline.
- All councils will use a reduction in the cost of administration to enforcement activity. Some may opt to reduce the fee.

- The model is centred around the activity of council and licensing teams, it does not measure improvement for all users, such as the applicant.
- That there is a digital solution for the improvement areas discussed.

Flaws

- A heuristic approach was used to create this model, with the expectation that key elements will be improved and assumptions tested in future stages of the project.
- The model does not factor in achievability/viability
- The model does not account for the differences between councils in how administrative and enforcement activities are carried out.
- Optimism Bias is used to determine the costs of carrying out demonstration in the absence of data about the costs for other councils.
- The baseline data is based on process analysis of Gateshead Council's processes.