CIVICA

2021 Market Review Local and Regional Government

Building the smart software that helps improve public services

Civica is helping local authorities around the world to service their citizens and support thousands of hard-working public servants. Applying our skills in data, digital transformation and automation, we're helping to transform community engagement and operational efficiency.

The way we see it

Citizens are thinking differently, public sector employees are thinking differently. Whether the degree of change is large or small, everyone has been affected.

With most of us hoping that Covid-19 has been a once in a lifetime event, that it will be soon be history rather than present tense, the pandemic has had a profound nudging effect.

The ability to access data, systems and colleagues, from anywhere at any time, became the standard need as scores of employees (including public servants) entered periods of remote working and degrees of lockdown. These needs along with digital transformation, cloud and centralised data, all accelerated to top of the agenda – as formally observed by one University of Glasgow report, 'Scottish Local Government during COVID-19'.

Local authorities in the UK and Australia out of necessity, had to move with some speed to accommodate new Covid related services and support mechanisms for their citizens – and the likes of Civica needed to support them with those changes. Welsh Government self-isolation support payments, introduced in late 2020 as one example. Faced with hundreds of applications for the payments, we were able to implement rapid changes to Swansea Council's existing electronic document management (EDM) solution, Digital360. Given the EDM solution was cloud based, the sub-48 hour and remote delivery of the change happened with relative ease. A similar solution was implemented for Birmingham City Council. Providing a fully automated solution that integrated with Birmingham's customer portal, documents and data submitted by residents were brought directly into the Digital360 solution and payment processing could start without any manual intervention.

Two years plus on from the start of Covid and the landscape is very different. In the UK, early 2022 sees the country start to move towards some sort of normal life, but the changes and influences brought by the pandemic can't be forgotten; they are here to stay. Local authority office based staff, like much of the population, have adapted to and embraced working remotely. Whilst this hasn't suited everyone, many have seen the advantage and started to see how remote working could create other life opportunities. If you're remote from an office, it doesn't really matter if that's 10, 50, or even 200 miles away. And for some segments of the population, that could generate geographically-based migration effects, with some taking advantage of a move to a lower cost area, or one with better access to recreation areas, schools or jobs. Local authorities in the UK and Australia especially, could all see changes in the citizen bases, rises and falls, creating financial opportunity and risk with revenue and citizen services costs to be considered, as these nudges from the overall Covid experience play out. Will they be ready to respond?

The Covid experience has also advanced the expectations of consumers. With all manner of retailers and services, from banks to takeaway providers to streaming services, app-ing their offerings to the max and enhancing their customer interactions based on data and predictions, the "what's possible" bar has been set and re-set in the heads of citizens. Centralised and clean data, supported by cloud based systems and advanced analytics are the fuel and local authorities know this is where they need to focus if they are to be smarter – predicting citizen hardship and individual needs, customising the public service and care offering whilst also lowering the overall cost to serve and operating more efficiently.

Cheshire East Council has recognised this, adopting MultiVue Master Data Management software to integrate critical data, reduce duplication and improve data quality. City of Bradford Metropolitan District Council, has taken on the cloud-optimised Cx Licensing Register allowing greater citizen self-service, and improved experience and communication along with time and cost efficiencies for the council staff. Similarly, Kent County Council's adoption of the cloud-optimised Cx Trading Standards solution has generated benefits for staff and citizens: More proactive and faster responses to enquiries from the council and experience benefits for citizen users, with the ability to access information at any time from any connected device. Cloud, automated processes and a focus on data, the not so secret-sauce package, enabling these solutions.

But never far from the minds of local authorities, within the 'lines of business' departments and all the way up to the C-suite, are their core obligations to citizens and to their employees. With citizens, the fulfilment of the statutory obligations leads the to-do list and local authorities continue to seek improvements in how they efficiently fulfil those obligations (with one eye on how that might then enable to them to do a little more in the discretionary and 'life of the community' areas). Oxford City Council agreed a new and substantial contract for revenues and benefits processing, via our OPENRevenues software. With self-service online-access benefits for citizens and reduced time and effort benefits for council employees, the new digital platform delivers enhancements and cost savings to a core council activity.

In Australia, our new SaaS ERP Authority Altitude solution provides all the functionality required by local government while giving council employees and residents access to council services online - via any device from anywhere. This contributed to it receiving a 2021 ABA Cloud Innovation Award. Three other key customers saw the efficiency and outcome benefits of Authority Altitude and acquired it in 2021: Bundaberg Regional Council (QLD), Singleton Shire Council (NSW) and Wellington Shire Council (VIC).

In the area of care for public sector employees, the efficient and well-ordered management of public sector pensions remains a focus for councils and other public service entities. With a focus on improving services and boosting digitalisation across 17 public sector pension funds, Civica was proud to win a substantial contract with the UK Local Pensions Partnership Administration. Applying our cloud-enabled Universal Pensions Management software to over 600,000 pension scheme members and 1,800 public and charity sector employers, this will provide experience and efficiency benefits to both members and administrators – with the latter allowing them to focus on more value-add activities for members.

The future of the sector

" It's an exciting time to work in and around local authorities, in all our geographies. Challenge and opportunity, some of it generated by the Covid-years, is ever-present for local authorities. The solutions though continue to lie in the core areas of cloud-based digital transformation and smart use of data – and that's our heartland."

Jeff Hewitt, Executive Director, Civica Local and Regional Government

The landscape for local authorities is unquestionably altered. Partners such as Civica also need to adjust to all the shifts we've seen, and some of the business-as-usual pressures that are growing. In what is now a everyday work item (with good reason), the move to net carbon zero operations is top of mind for most local authority CEOs. Partners, especially those providing digital solutions, need to continue being part of the solution and pushing further with technological advances to address those net carbon zero targets. Whilst Australia appears slower to adopt hard targets for carbon reduction, Civica's recent acquisition Arborsafe supports a key offset strategy – tree stock. Arborsafe provides tree management and assessment solutions for a variety of sectors including local councils and schools, ensuring tree health gets appropriate focus.

Flexibility, choice and nimbleness, for both local authority employees and citizens, is now the expectation and there is ongoing work for everyone to enable this requirement. That includes opening minds to new ideas (as the Covid experience has very much generated): Might we be able to pay our council tax or rates in bitcoin at some point? Or have variable household charges for our waste based on what we actually generate (including what we recycle)? Additionally, an expectation around the smart use of data to facilitate pro-active recommendation and service offers, be they to help protect the vulnerable in our societies or just enhance our lived experience for any citizen within a community.

That flexibility, choice and nimbleness also applies to how the likes of Civica interacts and services the local authorities in all our geographies. In the UK, local authorities effectively operate as 454 individual businesses, albeit with some common statutory obligations to deliver against. And similarly in Australia with over 600 councils and New Zealand with 60 councils, the agenda for each can be radically different dependent on geography and community make up. In Australia for example the urban councils will tend to focus on development of community engagement and digital service delivery whereas in more regional and rural areas the focus turns to management of physical infrastructure (roads, bridges and facilities which may be hundreds of kilometres from the Town Hall). In these cases solutions such as Civica Asset Edge Reflect and Recover come to the fore, especially in environments well accustomed to natural disasters and rebuilding. The Asset Edge team signed a multi-year contract with the Department of State Growth in Tasmania commencing September 2021 to provide Civica 'Reflect' Maintenance Management system for its Road, Bridge and Traffic Facilities assets.

As the citizen bases of these individual businesses ebb and flow in the coming years – possibly as a result of the Covid-years, partners must be able to provide the best cloud-based, data rich, experience-enhanced systems to support these individually changing worlds. The cost to serve can only be pushed in one direction – down; and quality of the outcomes for citizens (along with public sector employees) must continue to be pushed up.

Registered head office

Camelia Investment
1 Limited

South Bank Central
30 Stamford Street
London
SE1 9LQ
United Kingdom

Tel: +44 (0)3333 214 914

Registered number

10969863

Auditors

KPMG LLP
15 Canada Square
London
E14 5GL

Regional offices

United Kingdom and Ireland
South Bank Central
30 Stamford Street
London
SE1 9LQ

Tel: +44 (0)3333 214 914

10 Weavers Court
Belfast
BT12 5GH

Tel: +44 (0)3333 214 914

Australia and New Zealand

Ground Floor
277 William Street
Melbourne
VIC 3000

Tel: +61 (0)2 8324 3000

India

Notus Pride
Sarabhai Campus
Bhailal Amin Marg
Vadodara 390007

Tel: +91 (0)2652 335 557

Singapore

6 Harper Road
Leong Huat
Building #04-08
Singapore 369674

Tel: +65 6511 7888

USA

52 Hillside Court
Englewood, Ohio
OH 45322

Tel: +1 937 836 4499

CIVICA

INVESTORS IN PEOPLE
We invest in people Gold

ISOQAR
UKAS
MANAGEMENT SYSTEMS
0026

Certification No. 663

ISO 9001, ISO 27001, ISO 22301,
ISO 14001, ISO 45001, ISO 20000

civica.com

linkedin.com/company/civica

/CivicaUK

@CivicaUK