

Department of the Environment streamlines motor tax renewals with IBM

Highlights

■ Customer Challenge

- Create new channel for motor tax renewals promoting efficient, cost-effective and streamlined service.
- Free-up resources in Irish Motor Tax Offices to deal with more complex motor tax transactions and customer enquiries and issues.
- Meet a key Irish e-government target.

■ IBM Solution

- IBM Business Consulting Services: business analysis, technical design/build, implementation, testing, piloting and rollout of new Motor Tax Online application.

■ Customer Benefit

- Migrates renewal transactions from high cost channels onto near real-time online renewal.
- Award-winning website handles over one fifth of all motor tax renewals nationwide.
- Frees-up staff to deal with other complex driver/vehicle-related matters, increasing efficiency and reducing cost of service delivery.

One of the legislative duties of Ireland's Department of the Environment, Heritage and Local Government (DEHLG) is to provide driver and vehicle services. It delivers these services through a network of Motor Tax Offices (MTOs) based in Ireland's local authorities. While a new national driver and vehicle business system built in partnership with the Department and other service providers including IBM, laid the foundations of operational efficiency within the MTOs, car tax renewal was one area where further development potential was recognised.

With over 2 million¹ registered vehicles on Ireland's roads, the challenges of managing renewals are significant. MTOs are the main renewal points for car tax and, as such, can get heavily congested. At peak times, such as January when new car registrations are at their peak, the start or end of each month, or during weekday lunchtimes, the queues of motorists are sometimes long. This can delay motorists trying to use other MTO services. To reduce the delays, promote increased efficiency and improve customer service, the Irish Government conceived a new channel for car tax renewal – 'Motor Tax Online'.

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Philip O’Flaherty, DEHLG Project Manager

Online renewal

Motor Tax Online's primary function is to provide a quick and convenient online renewal channel. It complements existing methods and eliminates the need to visit an MTO except in cases where a more complex transaction is required. Gerry O'Malley, Principal Officer with responsibility for motor tax at the DEHLG, explains: “Shifting a large number of renewals from our motor tax office network to the Internet makes good commercial sense. The idea was that the system would facilitate almost instant renewals. A far more convenient way to renew, and a cost-effective route to revenues for the Government.”

IBM and DEHLG – a winning partnership

IBM's established relationship with the Department as a supplier of business consultancy and new application development and support proved crucial in winning the highly competitive tender process.

¹ Source: National Roads Authority, Ireland. September 2004.

"We have a relationship with IBM that provides us with many key benefits. IBM delivers valuable business analysis, helps us manage the impact of legislative changes on our business processes and provides software which helps us to enhance service quality," says Philip O'Flaherty, DEHLG Project Manager for the online renewal project. "Another key factor was IBM's ability to demonstrate its e-commerce credentials through real customer references."

IBM Business Consulting Services provided reference e-commerce projects, such as a major airline's website, which showcased sophisticated transactional capabilities. IBM began with an in-depth analysis of the MTO's business processes. This led to the definition of a scalable technical design for the Internet channel, which took six months to implement.

Cutting the cost of renewal

Following a successful three-month pilot, the service, www.motortax.ie, has now been rolled out nationwide.

The application boasts sophisticated functionality and includes an easy-to-use front-end. It can make use of data from the National Car Testing Service to ensure that the necessary vehicle checks are made, is bilingual and links to an electronic online payment provider. It performs a series of validations to ensure that the vehicle is eligible for online renewal and allows customers to track the status of a renewal request.

The online system enables office staff to concentrate on other tasks, such as driving licence, vehicle registration and motor tax classification changes, licensing trailers and goods vehicles certification. With less reliance on offices, there have been improvements

to staff productivity too. "Cashiers now have much more time to allocate to complex customer queries. This ensures that regular queries are dealt with efficiently and that every customer achieves the same high level of MTO service," explains O'Flaherty.

Today, Motor Tax Online accounts for over a fifth of all national renewals. In Dublin, it accounts for over a third. The system is also one of Ireland's top five Internet sites in visitor numbers. "Over 470,000 renewals took place online in 2004, generating €100 million in revenues for the Government," says O'Malley. The success of the site was also highlighted when the Motor Tax Online project won an Innovation Through Technology Award, presented to DEHLG by the Irish Prime Minister. The award was given in the Government to Citizen category, in recognition of excellence and creativity in a public sector technology initiative.

DEHLG has established a single processing centre to support online renewals. This will reduce the cost of renewals for the DEHLG now and in the future. "Our immediate priorities are to broaden the number of licensing categories that can renew automatically using the online system and to enable the online licensing of new vehicles. IBM's professionalism, experience, expertise and innovative thinking have continued to enable us to take cost out of our operations, while improving customer service quality," O'Flaherty concludes.

For more information

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