

“With Fujitsu’s Local Government Solution, we have rapidly increased customer satisfaction and are better able to support residents, central government and local businesses.”

Gerty Herholdt – Division Head, Income and Expenditure, Lesedi Local Municipality



Challenge

The Lesedi Local Municipality encompasses a broad range of areas from relatively developed urban centres to the rural areas that surround them. Given the disparities within its administrative jurisdiction, the municipal budget’s focus is on the most underdeveloped areas. Of the total capital programme, approximately 60% is earmarked for development where infrastructure is weakest or deficient. The targets of the budget are in the provision of basic services, such as water, the promotion of a safe environment, and the maintenance of existing infrastructure.

The resources available to address the needs that exist in Lesedi’s communities are limited. The more effective, efficient and economical delivery mechanisms are made to be, the more the Municipality will be able to provide services that are sustainable. Efficiency, therefore, is crucial to ensuring the continuation and extension of services to all.

The challenges faced by Lesedi Municipality were challenges many Municipality’s are facing. There was immense pressure placed on it to provide the best service to customers, whilst ensuring government policy was fully adhered to and debt did not escalate.

Lesedi needed to implement a total end to end billing and finance solution in order to get away from the paper based processes, which were time consuming and extremely costly. Staff were working until 10.00pm some nights trying to generate reports from multiple systems and then reconciling them manually, this activity was pushing overtime costs to an extremely high level. Such reports are the disconnection report to the various areas in the municipality.

Residents who could not pay their utility bills would often approach the Municipality in order to make an arrangement to pay, however, with multiple, non-integrated systems this information was often not picked up; resulting in residents being cut off even though they had used the correct channels in order to pay.

SUMMARY OF KEY FACTS

Organisation

Lesedi Local Municipality

Services delivered

Implementation of Fujitsu’s Local Government Solution to integrate and streamline utility bill payments and debt management

Key metrics

- 28,000 debtors

Benefits

- **Cost savings** – streamlined reconciliation of debtor information has saved 5 years effort compared to the previous manual processes
- **Improved customer service** – arrangement data is captured immediately ensuring residents are not without power unnecessarily
- **Enhanced efficiency** – letters and revised bills to customers are now automatically generated removing the need to manually produce them
- **Greater productivity** – users are now empowered to access information in real time from their desktops this ensures consistency of reporting
- **Improved management information** – age analysis reports can now be run and credit control can evaluate the percentage of debt due to non payment by either residents, local businesses and even central government

Solution

After fully assessing the market place Lesedi chose to implement Fujitsu's Local Government Solution as it had a proven track record of delivering major business benefits in a short period of time, and was already implemented in many other Municipalities in Africa.

The application is designed in such a way that it is parameter driven and set-up with the Municipality's credit control policy.

Part of Lesedi's policy is to allow consumers to come and make arrangements or credit extensions on their accounts where they promise to pay their current account plus any additional amount on the outstanding debt. Once this has been implemented the end-user can capture such arrangements.

At a certain time of the month, normally after due date, the system will verify all such debtors to ensure that they have honoured their arrangements or credit extensions and will then act accordingly, as per the Municipality's rule, to either terminate the arrangement or continue with the arrangement until such time that the arrangement is complete.

Several reports are available to management to highlight areas of concern and to prove the payment incentive scheme is working.

Gerty Herholdt, Division Head, Income and Expenditure, Lesedi Local Municipality, says, *"With Fujitsu's Local Government Solution, we have rapidly increased customer satisfaction and are better able to support residents, central government and local businesses."*

Benefits

Business benefits were realised extremely quickly after the staged implementation of Fujitsu's Local Government Solution.

The customer facing staff now have access to a fully integrated solution ensuring at the time residents make an arrangement to pay that the data is captured immediately and reported in the cut off report, ensuring residents are not without power unnecessarily.

Letters to customers are now automatically generated taking away the need to manually produce them.

A further benefit is that an age analysis report can be run and for the first time credit control can communicate to their management team the percentage of debt due to non payment by either residents, local businesses and even central government.

Users are now empowered to access information in real time from their desktops this ensures consistency of reporting.

Further to the above, Fujitsu's Local Government Solution will issue letters to residents informing them of the new rates policy. The system will then capture information from the property valuers and immediately issue the new rates bills.

"It would have taken my staff 5 years to reconcile outstanding debt of the 28,000 debtors information manually, we now generate within 2 hours the disconnection or warnings report," comments Gerty Herholdt.

Expertise

With over 40 years experience of supporting the needs of customers, Fujitsu has a proven track record in providing innovative systems and management services that increase revenue, reduce costs, improve productivity and customer services and deliver a compelling return on investment.

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