

Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

4 OCTOBER 2013

REPORT OF THE FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.6 OFFICE RATIONALISATION AND MODERNISATION

(Report prepared by Andy White)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To update Members on the progress of the development of options for rationalisation and sharing of office properties to link with agreed proposals on IT development and proposals on joint and modern working.

To seek agreement to complete feasibility and development of firm proposals for:

- jointly rationalising office property, focussing on a main Clacton-on-Sea base
- flexible facilities in other parts of the District shared with other public sector organisations including Town Councils.
- enhancing service delivery with a package of document handling and other working practice changes that facilitate better electronic access and more flexible working arrangements.

EXECUTIVE SUMMARY

- The Council has been involved in developing options for shared office and service provision since the signing of a memorandum of understanding with the County Council and the holding of a Multi Service workshop in January 2012.
- The rationalisation and modernisation of the Council's offices is a logical next step to the Fundamental Service Reviews.
- The project has two main potential phases:
 1. Rationalising, modernisation and sharing of council office space with a main focus in Clacton but also providing shared facilities in other locations in the District.
 2. A shared health, learning and service centre
- This report is solely focussed on the office element as a first phase to follow up to the FSRs.
- Other partners are able to join this phase at any stage but the main involvement of the health and other partners is likely to be in the second phase, health and learning proposal.
- There are three main drivers for the first phase:
 1. Pragmatic and Prudent Management: Effectively good housekeeping, reducing the amount of office space to reflect lower staffing levels and addressing the condition and suitability of the buildings.
 2. Improved Service Delivery: generating the potential for working more closely with Town Councils and other organisations to deliver a greater range of services locally and improving working methods and environments to benefit the public and the staff.
 3. Save Money: reduce the amount that the Council spends running property.
- Initial options for the scheme were developed.
- A new construction was ruled out at an early stage because of the costs involved.
- Two alternative schemes to accommodate both Councils in two buildings in Clacton were included in an initial outline business case.
- One option included the acquisition of Harlech House, an empty office building in Clacton and the other an ambitious remodelling of the Town Hall.
- Both of these options are estimated to have a significant Capital cost and officers have since generated a third option that retains three buildings in Clacton: Town Hall, 86-92 Pier Avenue and Magnet House. It involves less construction work and is therefore less expenditure.

- The options were extensively developed and costed in an outline Business Case. A full copy of the Business Case setting out all of the options considered can be viewed by Members on the Council's Intranet: <http://newintranet/Docs/Shared%20Resources/Asset%20Management/OBCv14%20CLACTON%20CIVIC%20CAMPUS%20PROJECT%20-%20MASTER%20FINAL.pdf> or a copy can be requested from the Assets Manager.
- All of the above proposals would include the Council vacating the Weeley site, Clay Hall, Westleigh House and cash offices at Frinton and Harwich. (Members will be aware that Westleigh House, Clay Hall and the Cash Offices have been vacated).
- Detailed proposals for the scheme and more detailed feasibility work need to be more fully developed including:
 1. proposals for improved delivery of shared services with Town Councils and other partners in locations outside Clacton
 2. survey of the numbers, starting point and purpose of visits to the Weeley site
 3. specific feasibility of repair and renovation works,
 4. options appraisal of potential future uses or disposal of the Weeley site
 5. detailed arrangements for electronic document handling and records
 6. detailed arrangements for shared use and shared service delivery,
 7. the modernisation of working practices.

Upgrading and enhancing of IT equipment is necessary in all events. This programme and investment was agreed on 06 September 2013. This programme includes elements that will facilitate shared and modern working methods.
- Following consideration of the outline proposals by the Community Leadership and Partnerships Committee and as requested by the Leader this report includes a series of Appendices which develop the thinking on a number of key issues which were of interest to Members including a first indication of where services would be based, a general approach based on pragmatic and prudent investment, some development of the idea of how the "one front door" shared customer eservice approach with the County Council could work in practice and information about how services would be delivered to the many residents who do not live in Clacton where the offices would be based.

RECOMMENDATIONS

That Cabinet notes the progress of the project and instructs officers, working together with the County Council as appropriate; to develop a complete set of costed proposals for the rationalisation of office accommodation. The aim of the rationalisation will be to:

- (a) occupy just the three office sites in Clacton: Town Hall, Pier Avenue (including Barnes House) and Magnet House.**
- (b) vacate and dispose of other office sites including Weeley, Westleigh House, Clay Hall.**

That the proposals should include firm proposals for shared accommodation and services with Essex County Council in Clacton and provisions for shared use of other public sector premises for surgery style service delivery in other towns in the District as well as other changes to document and record handling and other working practice to support better electronic and remote access.

That the Community Leadership and Partnerships Committee reviews the detailed final proposals when completed, and that the views of the Community Leadership and Partnerships Committee be reported to Cabinet together with the final proposals.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The approach to joint working and improving efficiency and services is in line with all of the Council’s priorities and the approaches set out in the Corporate Plan on value for money, using resources effectively and managing performance. Improving customer services will have a positive effect on all Council priorities.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

All of the options require capital investment. The level and source of Capital funding will be identified in the full business case. However the principle of applying one-off funding to deliver a one-off project would provide the most logical approach without additional burden potentially falling to the on-going base revenue budget. The Council’s existing one-off budgets / earmarked reserves, such as the Fit for Purpose budget, will therefore be reviewed to identify the most appropriate mix of funding as part of the full business case.

From the TDC perspective the preferred option includes a capital investment of a little over £2m in modernising existing buildings which will be offset by potential capital receipts from redundant sites of a little over £1m and an annual saving in running costs of over £100,000. These figures are preliminary and will be robustly checked as part of the detailed feasibility in advance of a final decision.

IT projects that relate to office accommodation have been separately approved. Further details of the financial implications are set out in the in the Current Position section.

Risk

The project is subject to a number of potential risks:

- Unforeseen construction costs.
- Failure of technical or organisational changes.
- Difficulty in disposing of surplus assets.
- Political change
- Loss of partner commitment.

The project team will seek to control these risks in the development of the full business case.

LEGAL

In coming to decisions in relation to expenditure and management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district. The Council must also act reasonably and not act in breach of its fiduciary duty to the residents of the district.

When making decisions, the Council must take into account relevant considerations, and disregard irrelevant considerations, and it must not reach a decision which is unreasonable in the sense that it is so irrational that no reasonable authority could have reached it.

The Council owes a duty "to conduct that administration in a fairly business-like manner with reasonable care, skill and caution, and with a due and alert regard to the interest of those (ratepayers)" towards whom the authority "stands somewhat in the position of trustees or managers of the property of others". The same principle applies in relation to Council Tax payers.

The report gives sufficient information and detail as to the recommendations for these considerations to be met.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

If successful the project could improve services and efficiency leading to benefits across a full range of Council activity.

Area or Ward Affected: All

PART 3 – SUPPORTING INFORMATION

BACKGROUND

KEY INFORMATION – answers to key questions

PROPERTY / FACILITIES

- Where will services be based P8
- What physical alterations are proposed P9
- Options / issues re accessibility / energy efficiency P9- 10
- Meeting / Training / interview rooms P10
- Storage / Records / archiving P11
- Space and desk standards P11 - 11
- Indicative plans of Town Hall and Pier Avenue / Barnes House P13 -15

PEOPLE

- Cultural change P16 -17
- HR and people management P18

IT

- Investment proposals P19 - 21
- How new IT will support better service delivery – scenarios P20

CUSTOMER SERVICES

- How the “One front door” will work P22
- How services will be delivered to people outside Clacton P22 - 23
- Electronic / self service P23
- Customer access channels P24

The Council needs to reduce its costs and ensure that its facilities are safe, efficient and effective. It also seeks to create a shared service front face at least with the County Council and potentially with others.

Since January 2012 the Council and County Council have worked together with Improvement East to develop a set of options for the project using funding approved via East 17 Board (E17), a collaboration of Essex Public sector organisations aiming to drive improvement in property management.

In November 2012 E17 considered an Outline Business Case (OBC) including two principal options for the project. The E17 Board noted the content of the OBC and that the decision on the way forward must lie with the partners involved.

Following the E17 Board meeting the District and County Council officers have further considered the proposals, particularly in the light of the developing understanding of the Councils’ future financial outlook and priorities.

Seeking to reflect these factors TDC officers have put forward a further option that seeks to facilitate the shared working and efficiency gains but with substantially reduced capital costs.

This report seeks a commitment to the development of one of the options to a full business case to enable a final decision to be made on the proposals. The Community, Leadership and Partnership Committee considered the matter on 15 April 2013, reported to Cabinet on 17 May. The Committee resolved:

“The Committee notes the progress presented by the Corporate Director (Corporate Services) and further supports the continuation of the feasibility study into the Civic Hub Project and the Committee therefore requests that, when completed, the final conclusions of the study be brought back to the Committee for further scrutiny and recommendation.”

Baseline

There is not a do nothing option. On the one hand the size of the Council has reduced in recent years. There are existing redundant buildings, which although empty still have a financial cost, so there is a real imperative to reduce the number of office sites owned by the authority. On the other hand the buildings that the Council occupies are in need of investment: there are some outstanding repair works that should be considered urgent.

There are also works that would improve the accessibility and efficiency of the buildings. Mostly these works are not urgent or mandatory at present. However the options are being considered over 25 years. Members may consider that it would be prudent to assume that within 25 years it will be mandatory for public buildings to meet tough standards for energy efficiency and accessibility. The potential costs of these works at the Town Hall is estimated to be in the order of £1m. The Council needs to renew its IT infrastructure in all events estimated to cost in the order of £1m and this has already been agreed by Cabinet. The office rationalisation proposals set out in this report will be dovetailed with the IT investment to deliver a range of improvements and savings to the Council.

Hub Concept

The concept of the joint service proposal is to bring together things that the Council must address in any event and coordinate them to the maximum benefit of the Council and the Community:

- Matching the recent Fundamental Service Review changes with office property rationalisation
- Rationalising existing office sites in order to achieve revenue savings.
- Addressing urgently needed repair works and IT upgrades (recently approved)
- Sharing of some office space with the County Council (which would amount to around 10% of TDC's office requirements)
- Creating a customer service environment that make the organisations appear to the user as one: a virtual single office - the concept of One Front Door.
- An evolutionary approach to joint work, space standards and improved working methods.
- Facilitating potential future phases to include health and adult education.

OBC Options

0. Pursue plans as they currently exist: move out of Westleigh, Clay Hall, Harwich and Frinton. ECC stay in sole occupancy of Magnet House
1. As above but carry out quite major works to the Town Hall and Magnet House to really drive down space standards and ultimately only occupy those two buildings
2. Buy Harlech House and refurbish it and the Town Hall and only occupy those two buildings (Note: Harlech House has since been sold privately)

CURRENT POSITION

None of the OBC options are now appropriate because of the significant initial costs which may be unpalatable in the current climate; and the sale of Harlech House on the open market.

Accordingly Officers have started work on the development of a further option that retains the current accommodation in Pier Avenue and so reduces the amount of work required at other locations and impacts on working practices. For immediate purposes this is called option 0.5 to represent its nature: somewhere between option 0 and option 1. The table below is intended to allow comparison of the options.

Cost Comparison: TDC Only (£000)

Option	Headline Capital	Receipts	Net Capital	Annual Revenue Costs	Net Present Cost (25 years)
Option 0	£126	-£140	-£14	£569	£12,856
Option 1	£3,625	-£1,570	£2,055	£431	£10,741
Option 2	£7,960	-£1,540	£6,420	£430	£12,724
Option 0.5	£2,433	-£1,170	£1,263	£439	£11,667

Investment in IT projects has been approved separately

NB: further works and savings would also be realised by the County Council.

The Council cannot avoid costs involved in operating property. The sure way to reduce costs is to reduce the amount of property. It is likely to need to retain at least 3,500m² of office space including the Town Hall. It is unlikely that this can be achieved at an annual cost below £400k, although this would be a significant saving compared with existing annual expenditure of £593k.

At some stage within the 25 year timeframe of the feasibility the Council will have to address maintenance backlog, accessibility, suitability and energy efficiency issues. It is not reasonable to expect to avoid these issues in the longer term. Just for the Town Hall these are likely to amount to:

- Existing identified backlog: £130,000
- Increasing accessibility: £400,000
- Energy efficiency: £500,000

In all of the options the nature, scope and cost of proposals for a joint health and education facility in a later phase of the project are disregarded. All of the options would offer significant annual revenue saving and potential for joint working and improvement. Maximising these benefits will require radical changes to working practices:

- a. Giving up senior officer and member individual offices
- b. Closing and moving out of Weeley as well as other sites already vacated
- c. Reducing working space to today's standards
- d. Desk and office sharing and flexible working

Staff

The proposals include many benefits for the staff:

- Creating open modern working environments
- Flexible and remote working to fit in with family and other commitments
- Improved technology to make work easier and to better engage with residents
- Reduced travelling
- Closer working with colleagues

Regeneration

All of the options for the project include potential for regenerative effects in Clacton. Simply the concentration of staff and visitors in Central Clacton will increase footfall in the town centre and generate custom for local businesses.

The current option for the project optimises regeneration benefits by:

- providing a full spectrum of services focussed on the biggest proportion of the community
- focussing services in an area of recognised need.
- avoiding the vacation of town centre property
- generating visitors activity and business in the town centre
- recognising the needs of other areas and working with Town Councils and others to deliver locally

Bringing together the whole Council will enable better working and facilitate delivery on a wide agenda of initiatives.

Increasing numbers will put pressure on parking and some enhancements will be necessary in order to ensure that this is a positive factor.

There are regenerative benefits associated with the concept of the project and some benefit will accrue whichever one is selected. However significant place shaping changes are tied to significant investment.

CONCLUSIONS AND ISSUES

Given the urgent need for IT investment and outstanding repairs, a significant capital expenditure within the foreseeable future is inevitable and partly already agreed, whether the rationalisation proceeds or not. The proposals aim to direct that investment in a way which generates longer term savings and improvements.

The concept of the hub is still a positive and progressive one for the Councils and the community. The current proposals are to seek to achieve the benefits of this in a cost effective way by coordinating modernisation of IT (separately approved) and working methods with a simple and practical office rationalisation including an element of shared space with the County Council in Magnet House and the proposed shared 'one front door' reception in the Pier Avenue office.

The recently proposed three building option offers a potential for this to be achieved at a cost that makes sense in relation to the ongoing savings and efficiency that would be generated. A more detailed study is required before the Council can firmly commit to the construction and other costs involved. Specific further work is needed on:

• Departmental and staff consultation	• Modern working methods
• Archiving and document handling	• Relocation arrangements
• Structural issues	• Joint use agreements and extents
• Staff needs and policies	• Content and delivery of shared reception/front door

These matters have not yet been fully investigated but the attached appendices give a general initial impression of the nature of changes required and services resulting.

BACKGROUND PAPERS FOR THE DECISION

Outline Business Case to E17 Board.

Briefing to Group Leaders 10 April 2013.

Presentation to the Community, Leadership and Partnerships Committee 15 April 2013.

APPENDICES

Appendix A – Property and Facilities Outline

Appendix B – Cultural Change

Appendix C – Operational Hr Issues

Appendix D – IT Enabling Service Improvements

Appendix E – Customer Services

Future Facilities

The overall picture:

1. ECC and TDC will both rationalise the way in which they use office property.
2. Both Councils will share three buildings: Town Hall, 88-92 Pier Avenue (includes Barnes House) and Magnet House.
3. Working practices and occupancy will evolve to allow improved integration of teams and office space.
4. Staff will be freed to work flexibly and productively in a way that suits them.
5. Shared front face and public reception will be at Pier Avenue.
6. Building works will include linking offices at Pier Avenue and modernising all of the sites.
7. There is a choice of whether to seek a capital receipt or revenue income from the Weeley site once vacated.
8. There is a choice of whether to take a minimal or a future proof approach to the building works.
9. There is a choice of which departments to locate in the various buildings as an initial step pending 3 above.



From this



To this

How much space is to be available in Magnet House?

It is both authorities' view that TDC could occupy some ECC Property and ECC could occupy some TDC property. The exact way that works out will depend on the interrelationship of the teams, future changes in the way both organisations deliver services and how the joint front end actually manifests itself. Also there may be further potential for other partners to join the project. There are many imponderables about this and ECC is revisiting its office strategy at present. None the less, it is important to move the project on and we can only do so by making some working assumptions:

1. ECC will maintain office presence in Clacton and retain freehold ownership of Magnet House.
2. ECC's property strategy will lead to a reduction in office demand likely to result in the availability of space for around 50 workstations – around quarter the capacity of Magnet House.
3. The ECC staff need not necessarily be in ECC property: the space requirement could be met anywhere in the project.
4. Therefore the net amount of space available to partners: the difference between what ECC have and what they need/want, whether actually in Magnet House or elsewhere, is around 900sqm.

Which initial locations would best suit individual service units?

Members and departments are keen to understand where individuals and units will be located in any new arrangements. The vision of the project is for the silos of department to be forgotten and for all of the staff and teams to work flexibly in groups and sometimes apart in order to improve efficiency and services. Over time we aim to move away from departmental offices to a wider flexible environment where the staff can locate themselves wherever it is best for the job at hand.

The table below is intended to give an indication of the areas from which teams might begin their journey to flexibility.

Outline of what physical alterations would be like.

Pier Avenue

- Removal of the redundant cash facilities
- Remodelling the reception area
- Adding a first floor at the rear of Barnes House
- Linking the two buildings
- Refreshing the remaining interior

Magnet House

- Scaling back the reception
- Removing partitions
- Refreshing the remaining interior

Town Hall

- Essential repairs
- Recreate large committee room
- Create civic meeting/training suite
- Open out first floor areas
- Integrate post/print/IT areas
- Energy efficiency – options to be developed
- Accessibility – options to be developed

Initial ideas for works are shown on the three plans attached. None of these plans are developed designs at this stage.

On the Town Hall plan the first floor is shown with the South Wing as existing: 22 small (some single person) offices and the North Wing is shown as it could be: six modern open plan areas with three meeting/training rooms opening off them.

On the Pier Avenue plans the area between the two buildings is used as storage and interview facilities. The existing cash and waiting areas are replaced with a modern reception and interview rooms. The remaining floor space is opened up as fully as possible. A new floor is added at the rear of Barnes House.

The need for accessibility/energy efficiency

Building regulations only require full accessibility to be provided to any extensions or conversions. This would therefore apply to any addition to Barnes House, but not to other parts of the proposals. The Equality Act 2000 makes additional requirements though. The Council must not discriminate against any disabled employee, visitor or customer. Measures are already in place to achieve accessibility of the customer and public areas. However, provision for staff particularly to the first floor of the Town Hall is minimal. So far the Council has chosen not to carry out works such as the installation of lifts and ramps and the widening of doorways for cost reasons. The proposal is that the Council can undertake works in the future, in the event that they are required by a disabled employee. This is a rational approach for the present, but in the context of a significant remodelling of the building this requirement must be given serious consideration.

Part L of the building regulations requires the energy efficiency of any building element to be upgraded to modern standards if 25% or more of that element is being altered in the course of works. In the Current proposals only limited areas of roofs and walls are likely to be affected. These areas would be upgraded as a matter of course. There is no legal requirement to upgrade other areas during the project. However, basic energy efficiency works such as roof insulation are considered to be very effective in increasing the comfort of buildings and reducing energy bills. In some cases payback periods are as short as two years. It is reasonably foreseeable that requirements for efficiency in public buildings will be tightened over the course of the project. To fail to improve energy efficiency in the context of a significant remodelling of the building it is potentially short sighted and fails to meet aspirations of leadership.

In each of the above cases worked options will be prepared to enable members to make an informed decision

Meeting/Training rooms

The Council needs to provide for meeting spaces of various sizes and kinds:

Full Council, large committee and bulk staff meetings.	At present the Princes Theatre is used for such meetings	A new meeting chamber on this scale would be prohibitively expensive. Such meetings would continue to use the theatre.
Committee meetings, Cabinets and forums	At Present the Council Chamber is used for meetings of this kind.	A new meeting room on this scale would be prohibitively expensive. Such meetings would use the theatre, Essex Hall or the restored old Council Chamber (currently Housing reception) depending on the size of the meeting. Planning and other meetings with local impacts could (subject to appropriate assessments) use venues that are local to the communities affected.
Team and group meetings, training and examinations	There are currently a range of smaller meeting rooms at the various sites with capacities between five and fifteen persons	Proposals will be designed to include a similar range of room sizes. Significant training/meeting resources will be concentrated in the area around the Connaught Room and rediscovered Council Chamber. Further group and 1 to 1 meeting rooms will be designed into the team zones.
Interview rooms	There are around half a dozen interview rooms and booths located in various sites. It is unlikely that all of them are in use at any one time	Proposals include for the provision of 4 to 6 public interview rooms located adjacent to the hub reception.

As modern methods become established teleconferencing will become more predominant and the need for meeting rooms will be reduced. However there is an IT implication to this.

The need for individual offices

There are no needs for individual offices. In all of the authorities studied during the project officers at all levels in all professions have been able to adapt to modern working methods.



Members' offices and facilities should be reviewed on the same basis as those for officers.

Storage, Records and Archiving

Around 20% of the Council's office space is used for storage: files and cabinets filled with paper. This uses space, creates poor environments and ties staff to their desks.

In order to modernise the Council needs to transfer records and archives to digital media and to transform postal activities so that distribution is by electronic means.



From many of these



To few of these

There will be a need to preserve some hard copy records but wherever possible these should be digitised for daily use and the originals stored securely off site.

This represents significant cultural, working and technological change.

To facilitate paperless working the post and print teams could be brought together to manage documentation. An example of how the distribution of hard copy documents could be minimised might be as follows:

- Letters etc of a general nature would be scanned on receipt and emailed to the intended recipient(s). Hard copies would be retained for 15 working days and then destroyed.
- Periodicals and marketing material would have the cover page only scanned and emailed to the intended recipient(s).
- Packages or any other post would be notified to the intended recipient by email and held for 15 days pending collection or destruction.
- Council document templates will be set up for electronic signature and completed correspondence will be emailed to the document team for printing and despatch.

Staff will be able to collect retained post at any stage following notification of the document team.

Space and desk standards

The Council occupies the Town hall at an occupancy rate of 18 m² per person. Some rooms as high as 27m² per person. The legal minimum equates to around 3.7m² per person (<http://www.hse.gov.uk/contact/faqs/roomspace.htm>.)

It is proposed to adopt a standard of between 7 and 8m² per person for future planning.

To put this in perspective this is roughly the current occupancy of rooms used by the legal team.

The Council currently provides slightly more desk spaces than it has full time equivalent staff. ECC are pressing towards desk provision as low as 50%. Colchester have mandated a 70% provision.

It is proposed that TDC adopts an average standard of 70%. This will result from the offering of flexible working to staff: allowing and facilitating remote and home working will allow some (but not all) staff to share desks, to operate from team zones rather than from static offices.

To put this in perspective an ordinary full time officer with 30 days annual leave and spending an average of one half day per week training, meeting or otherwise out of the office already only occupies their desk 77% of the time.

A department by department analysis of accommodation needs has been carried out. The analysis shows that there is potential for more efficient working practices. With investment in electronic data storage and other efficiencies the Council could occupy much less space than it presently does and could achieve the space standards above.

Issues for the Business Case:

Property Changes

- The proposed fit of departments to buildings for shared service delivery
- How far to go in terms of accessibility and energy efficiency
- Whether to seek capital or revenue from disposal of Weeley
- Whether to remove all savings from office budgets or seek to put these on a sustainable footing.

Space Utilisation

- The extent of open plan working, if not who has modular and how can it be justified?
- What Space standards to apply?
- Optimise the use of meeting spaces - greater use of shared facilities such as receptions and interview rooms, a greater use of booking systems.
- Investment in Document Management Systems.
- Consider remote storage for archive material to create space.
- Best fit within the space available – which work groups are best suited to the type of office space available.

Which modern working practices to introduce:

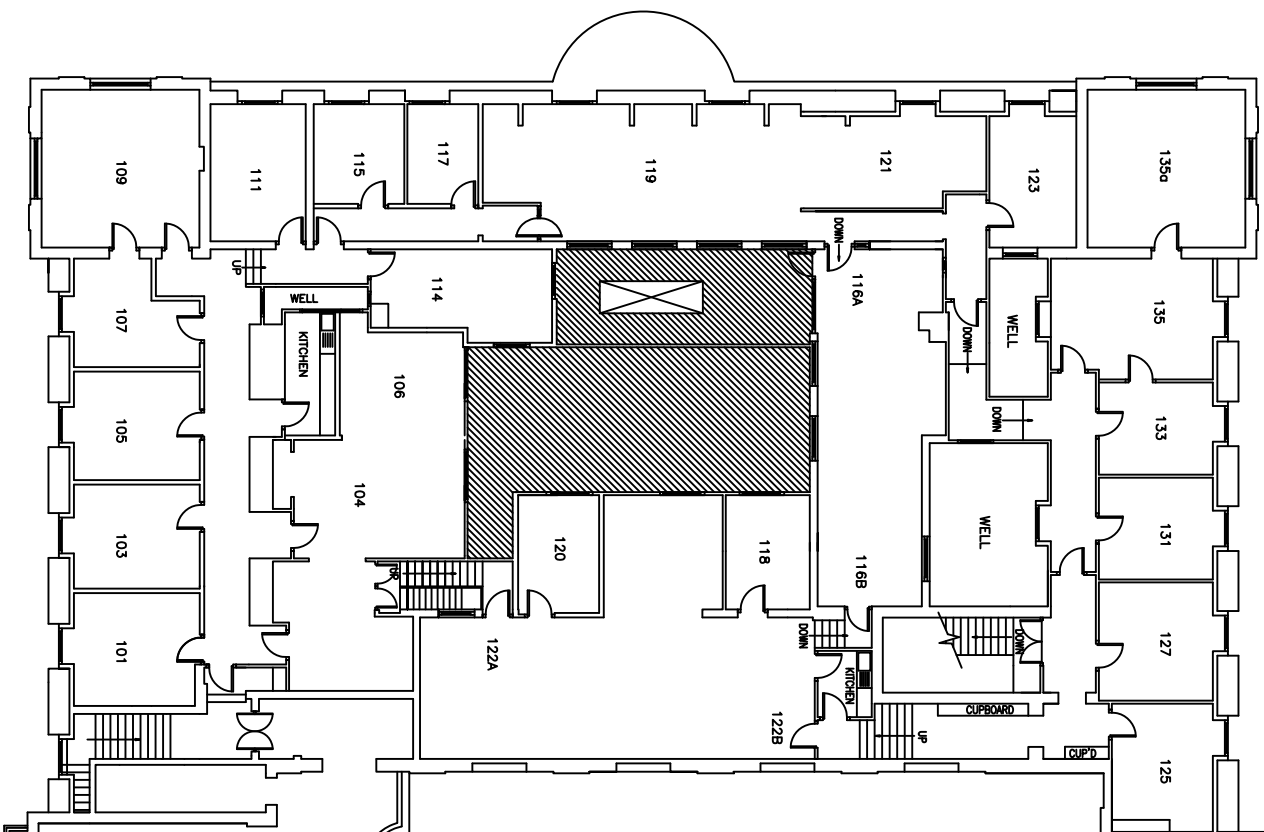
- Homeworking - the periodic or permanent use of personal facilities as an office.
- Hot-desking - the use of one desk or workstation by more than one individual within a designated office area.
- Hotelling - the use of a group of desks or workstations, offices or meeting rooms in which groups of staff or visitors can book space for a period.
- Breakout Areas - a comfortable space within an office or departmental area that is used for internal ad hoc meetings and discussions.
- “Third Places” (Not Home/Office) – workplaces that do not fit into the traditional accommodation plan, or home-working policy. The latter can include the use of hotel lounges, cafes, bars etc. and increasingly anywhere with wireless broadband and somewhere to sit.

Practices and Policies

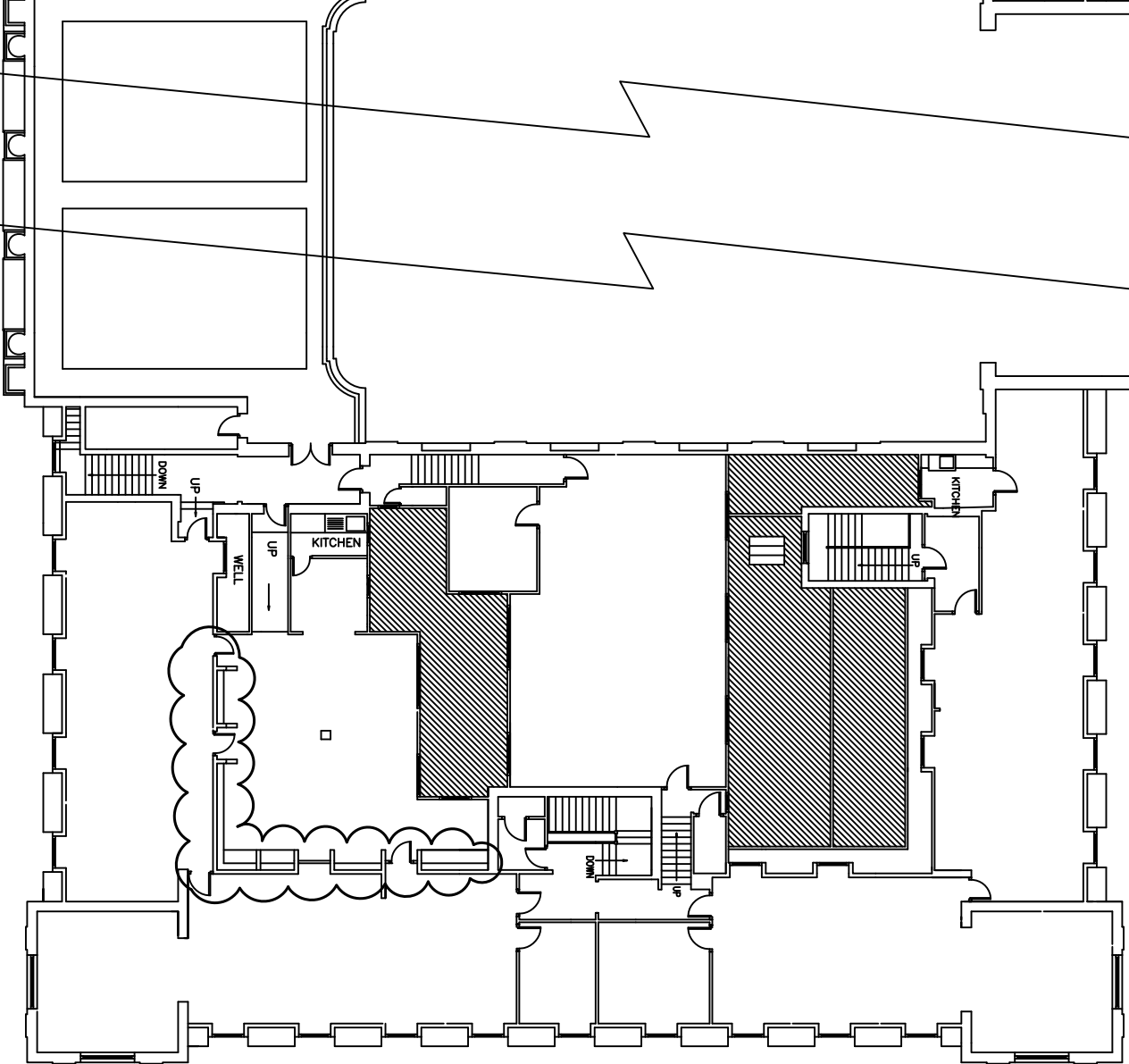
In all cases cultural and staff issues must be considered as described in the appendices on these topics, particularly:

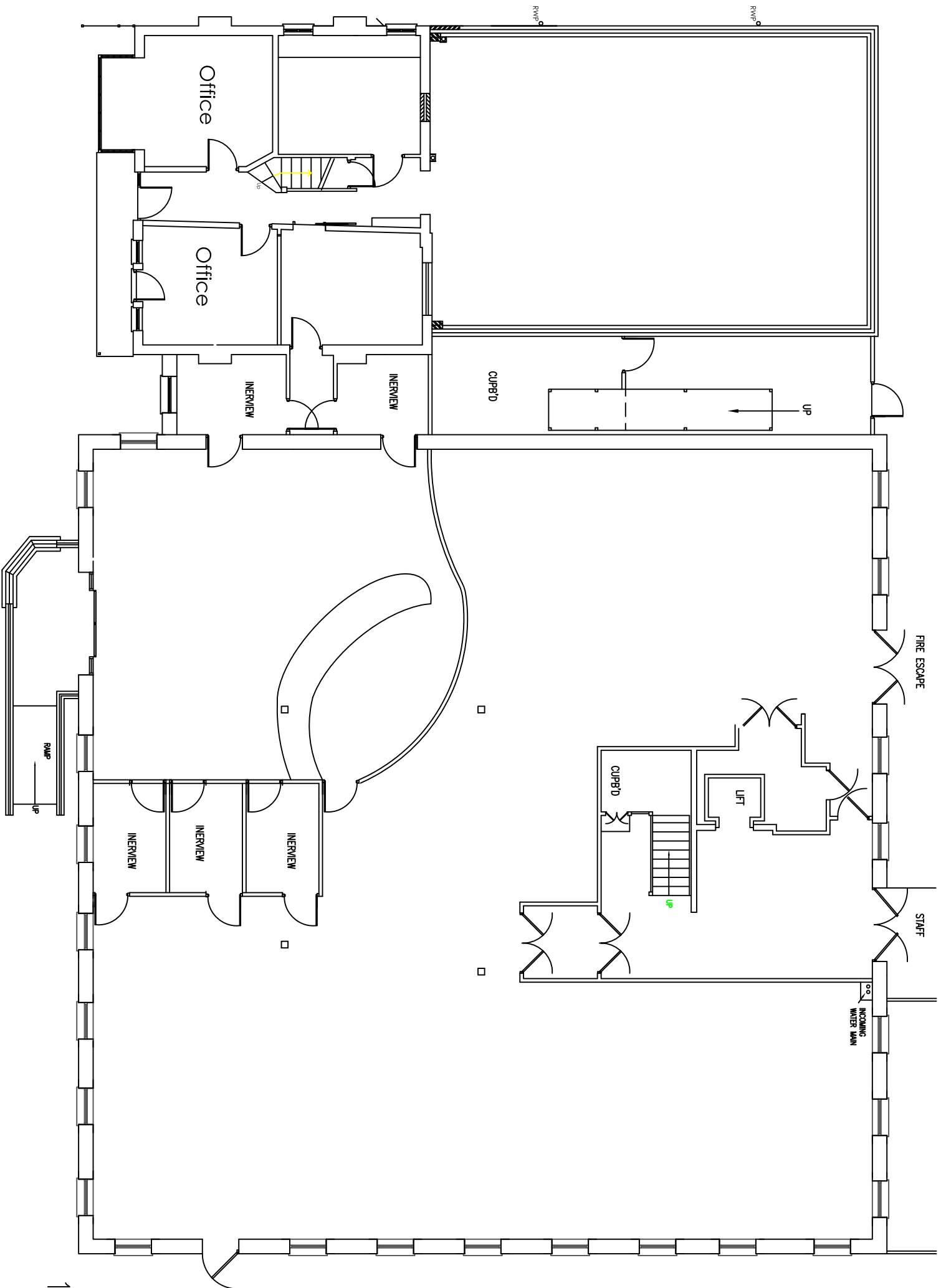
- Leading the project as a cultural one
- Consulting and engaging staff
- Putting in place adequate support and training to
- Identifying the number of different work types
- If these working practices are introduced, the extent to which they are allowed to permeate through the authority – who is allowed what and what controls are in place.

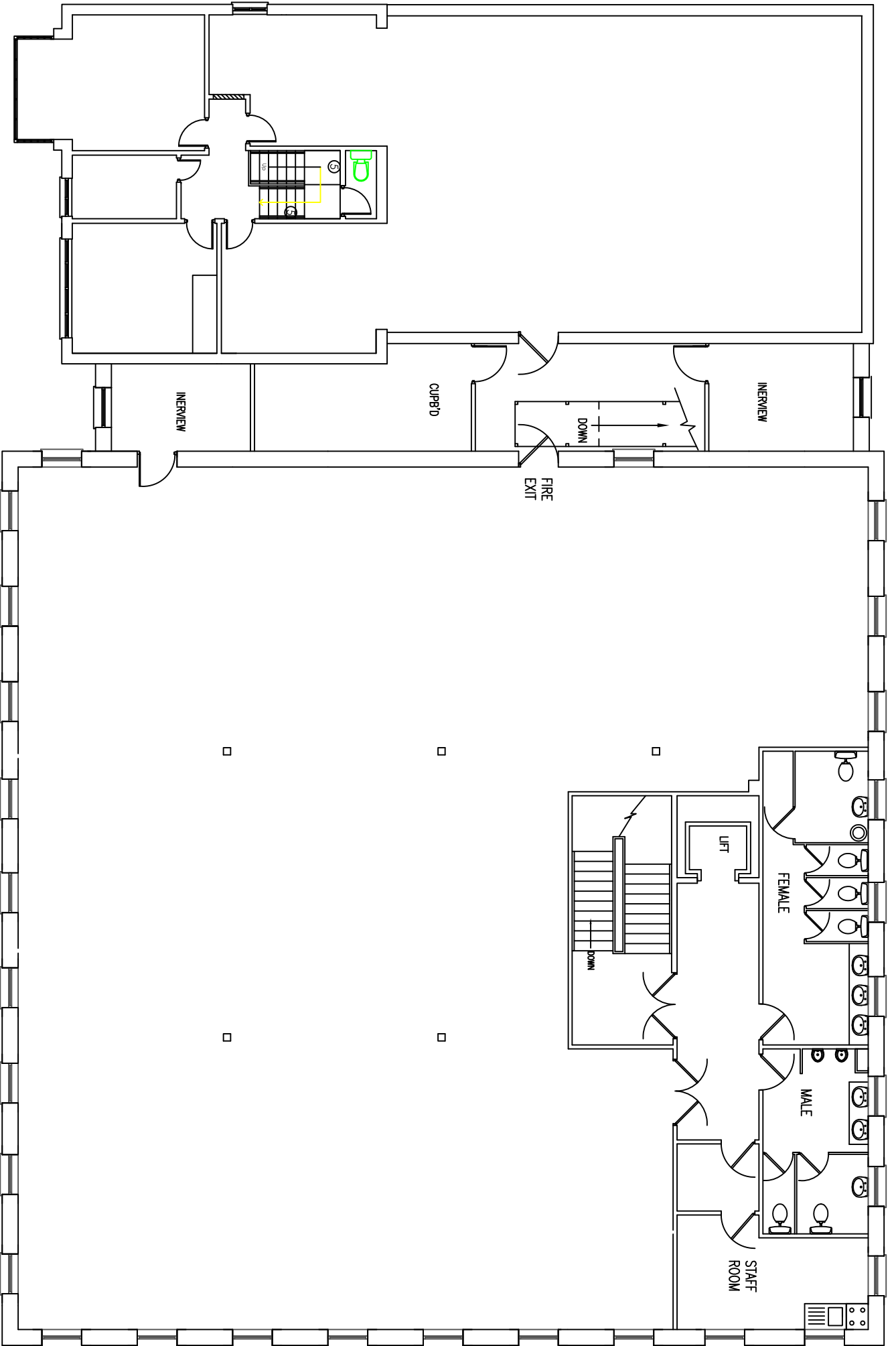
TOWN HALL: SOUTH WING.
FIRST FLOOR AS EXISTING



TOWN HALL: NORTH WING.
FIRST FLOOR POTENTIAL







Appendix B – Cultural Change

Office Rationalisation and Shared Working Project will Require

The cultural shift for the organisation that goes beyond buildings, IT and finance it is going to be about the people within the organisation and how the organisation “feels, the value system, the organisation’s personality and the way the organisation behaves”. To implement a successful modernisation project culture and taking employees on the journey of redefining the culture of the organisation will be critical that employees are engaged on this journey and are included in the redefining of the organisation’s culture. A simple definition of culture is: “The way we do things here”. That will significantly change in a number of ways as this project is completed.

What Needs to Change

Appendix B (i) provides examples of current culture within the organisation. All of these examples need to remain in place and develop as the organisation moves forward. The proposed project adds a further dimension to the culture of the organisation as it will change the way that people work and the characteristics and personality of the organisation. The new culture should include greater freedom to balance work and home demands, improved personal productivity and satisfaction, reduced travelling and an organisation that is environmentally progressive. It is vital that employees are taken on this journey through the organisation’s leadership and by being included as the project develops. If employees feel ownership and empowerment they are more likely to embrace the changes. Presenting a consistent, detailed picture of what employees can look forward to e.g. more flexible working, better IT facilities. Communication is crucial. By either moving office, moving to remote/homeworking you are asking people to accept something new, possibly a longer journey to work, an altered working environment – consistent and carefully planned communication will ensure employees feel part of the process and may provide other ideas that result in further improvements. As the project takes form a monthly employee bulletin may be useful to ensure consistent messages across the organisation.

The project is an opportunity to take a good look at how employees work. The world of work has changed and within Tendring this has recently changed through the FSR processes and office accommodation needs to reflect these changes.

Engaging Staff to Make the Change

Staffing and culture change lead the modernisation project. Property and offices are changing to fit the new culture. Our journey needs to start now, cultural change will not happen overnight, most organisations that have been through a similar process estimate that cultural change takes two years to embed.

Once a decision is reached regarding the scope of the proposals, consistent, regular two way communication needs to commence regarding the project. There are plenty of examples of good cultural practices within the organisation that need to continue.

We have informed staff about the project but do they understand what it actually means, do they believe that it is actually going to happen, do they understand how important it is for the Council in terms of reducing costs?. We need to ensure that employees take ownership of the project and feel that they are part of the solution.

Appendix B(i) sets out some of the elements which go to make up Tendring’s culture. It is not exhaustive but gives a sense of the mechanisms and channels of influence which will be affected by, or contribute to, the optimisation of the hub project in a way which promotes services and efficiency.

Through acknowledging the change process, encouraging new ways of working (remote/homeworking) and consistent communication, employees will feel fully engaged in the change process and Tendring as an organisation will reap the benefits of an engaged, motivated work force.

Appendix B(I)

The current cultural mix within Tendring District Council:

Leadership and clarity of mission

- Corporate Plan (including vision and values)
- Departmental Plans (including behaviours)
- My Performance (competencies)

Employee involvement and engagement

- Chief Executive staff briefings
- Senior Management Forum
- Departmental meetings
- Team meetings/One to ones
- Staff suggestion scheme
- Open door policy
- Engagement of stakeholders both internal/external

Information sharing and teamwork

- Team meetings
- Intranet/internet
- Briefing sessions – lunch and learn

Empowerment

- Reduction in number of meetings – approval tiers
- Clearer lines of responsibility/accountability
- Constitution review

Employee responsiveness and continuous learning

- Apprenticeships/Career grades
- Commitment to continuous learning

Flexibility and managing change

- Doing more with less
- Flexibility within the workforce

Innovation and forward focus

- Partnership work – Job Centre Plus, Public health
- Corporate Projects – Coast Protection, Families with Complex Needs, Community Budgets

Resident/ Customer Orientation

- Members Roadshow
- Website – Council agendas, minutes , transparency
- Consultations, information roadshows e.g. new recycling arrangements

Appendix C - Operational HR Issues

(Prepared by Anastasia Simpson, HR Manager – June 2013)

A number of Councils have taken steps to rationalise office accommodation over the past few years as a way to modernise working practices e.g. remote working/homeworking and to make substantial financial savings. Tendring District Council is now in a position where it is proposing a number of changes regarding office accommodation, including vacating various Council properties and sites and looking at some accommodation sharing with other key partners e.g. Essex County Council, health and libraries.

Human Resources

Any office modernisation or change to working practice is a people project and the implications for employees should not be underestimated. The benefit of keeping staff motivated and engaged in the process is that outputs will remain high and employees will have a positive attitude to the change process. Some key employee issues are as follows:

- Communication and consultation– keeping consistent communication throughout the process
- Keep morale up – don't underestimate the personal scale of these changes for some individuals e.g. increased commute to work, reduced personal office space
- Talk the talk – Make sure that employees feel included in the process e.g. being involved in office layouts, being able to communicate any concerns/practical issues that require resolution
- Training – Flexible working workshops for teams/individuals so that they understand the practical issues e.g. Health and Safety, IT, managing performance in a flexible culture
- Keeping stakeholders informed e.g. UNISON
- Managing expectations – with a move to flexible working, officers/members may not be as readily accessible for face to face meetings/alternative ways of working e.g. conferencing, skype and e mail
- Pilot homeworking/remote working to find out from employees the benefits and issues that need to be addressed
- Other – Leadership, commitment from Members/MT, senior project sponsor and good project management

If employees can feel part of the process and take ownership of the changes, the project will foster engagement and motivation. This will potentially lead to increased outputs and productivity. The project has the timescales and capacity to ensure that employees are engaged and the benefits to individuals e.g. greater freedom to balance work and home demands, improved personal productivity, work satisfaction and reduced travelling are communicated and met.

**Appendix D - IT Enabling Service Improvements:
What TDC Service Delivery Could Look Like ...**

Assumptions:

In order to describe how the proposals could offer improved services and a 'One Front Door' public services ethos to Tendring residents and visitors, the following IT investment assumptions/ deployments are made with an indicative estimated Tendring District Council investment level of £1 million. In addition, completion of a number of ongoing Essex County Council IT enabling initiatives are assumed in respect of the Civic Hub e.g. completion of their Microsoft Lync converged communications project and their willingness to share or 'federate' their staff status/ availability with Tendring. Proposed IT enabling investments are as follows:

IT Initiative	Benefits
TDC data and voice network refresh	Business critical supporting infrastructure. Deployment of new services e.g. video conferencing/ calling
Network segregation to increase Government Connect secure Xtranet (GCsX) security within the TDC network – a requirement for connection onto the new government Public Services Network (PSN) using existing budgets	Increased security for GCSX Business critical connectivity to central government for data sharing. Access to all public sector partners, initially by secure e-mail
TDC connection into ECC Next Generation Network (NGN) using existing TDC revenue budgets.	Data connection all ECC activities along with all Essex Online Partner Local Authorities.
Deployment of new TDC replacement data storage solution.	New standardised, simplified high speed access to data. Reduced storage needs and costs Facilitates improved performance for remote workers. Simplified deployment of future security and search automation e.g. FOI
TDC server/ application consolidation and virtualisation plus software standardisation	Simplification/ standardisation of software and licensing. Prepares the Council for future 'cloud services'. The next IT support contract will have reduced charges for server support etc. Virtualisation/ consolidation will generate estimated savings of around £60,000 p.a.
TDC Electronic Document Record Management System (EDMS)	Electronic document storage easily available to users. Electronic searches. 20% reduction in office space. Service improvements = reputation enhancement Centralised administrative scanning and paperless working should generate cost savings
TDC Migration To Microsoft Lync Unified Communications replacement for existing telephony solution. Option1 – 100 users (£71,000) Option 2 – full TDC deployment (£140,000) <u>Notes</u> Potential to migrate users from day one e.g. run a hybrid service of existing Cisco and new ML users with 1 to 2 year full migration	Enables 'follow me' flexible communications (user just logs on). All communication is 'unified' / accessible to user. All users availability is visible. Migration to same platform as ECC allows full connectivity/ visibility. Enables video conferencing and video calling. Cost savings once deployed requiring detailed calculation. Service improvements = reputation enhancement. Cost savings - reduced telephone lines and maintenance
Extended roll-out of Virtual Desktop	VDI is the key IT enabler for flexible working and hot

<p>Image (VDI) technology to enable mobile and flexible working for estimated 250 officers. Quotation is for full corporate deployment of replacement CITRIX VDI technology with enhanced data security for remote workers, compression for speed plus other benefits. Citrix is used by many local authorities including ECC, central government and MOD.</p>	<p>desking to generate officer space savings.</p>
<p>User migration to laptops/ dumb terminals</p> <p><u>Notes</u> 18-24 month migration project plan to be agreed which will affect costs p.a. Departmental work required to identify flexible workers with laptops & desk-bound workers using 'dumb terminals'. Existing £32,000 p.a. replacement budget</p>	<p>Enables flexible remote and mobile working. District-wide resident service surgeries = improved customer services . Facilitates office space reduction through remote working & hot desking. Enhanced officer work-life balance.</p>
<p>Deploy indoor/ outdoor quality kiosks for user interaction & self-service with Council services. Indicative recommendation of 12 kiosks at:</p> <ul style="list-style-type: none"> 3 within Civic Hub 2 on Clacton seafront 2 in Clacton Town Square 1 in Frinton 1 in Brightlingsea 2 in Harwich/ Dovercourt 1 in Walton 	<p>Increased access to internet self service and information searches for residents and visitors. Greater council 'footprint' or visibility across the district Channel management away from more costly telephony and face to face enquiries=cost reduction strategy.</p>
	<p>TOTAL</p>

NB: THE IT PROPOSALS SET OUT ABOVE WERE AGREED BY CABINET ON 06 SEPTEMBER 2013.

IT Enabled Civic Hub Service Scenarios:

The following scenarios outline how the investments will enhance a shared 'One Front Door' approach:

1. A resident visits the office with a relatively simple enquiry relating to what is playing at the theatre or wants information on the seafront tide times. On entering the reception they are immediately faced with three large screen 'self service' kiosks. They decide to self-serve using the search features and quickly find the information they wanted.

Alternatively, this self-service scenario takes place using one of the twelve proposed kiosks located around the district,

2. On arrival a resident decides their enquiry is too complex to be simply searched for using the self-service kiosks so advances to the central reception area as they are unsure as to which service can provide them with detailed pest control advice. The receptionist quickly realises that the questions require more detailed specialist knowledge than they have so quickly uses their Microsoft Lync 'status presence' functionality to identify that there are 3 Environmental Health Officers available to receive calls (all of which also have video call functionality). A video call is established and the dialogue begins. During the dialogue the officer accesses a range of electronic records held against the property in question and is able to appease the caller and invoke a more detailed enquiry as the property is a food preparation premises with two previous pest control health issues.

Note: The Officer could be working from the office, home, any ECC location (via secure Next Generation Network (NGN) connection

3. A distraught resident has a complex enquiry that relates to housing benefit payments and eviction from their private landlord home. They commence their enquiry at the main reception and are quickly relocated and seated in a cubicle/ interview room providing privacy. A Housing Benefits officer is immediately on-hand to start face to face dialogue and assist. It quickly becomes apparent that the issue is complex and requires both TDC homelessness and ECC social services assistance. The officer uses Microsoft Lync 'status presence' to video conference in TDC homeless officer expertise (the officer is working from home today but Citrix Virtual Desktop Imaging (VDI) and their new laptop and using their home broadband link gives them full access to all applications/ data as if they were sat in the office). Additionally, using connectivity to the ECC Next Generation Network and TDC / ECC shared Microsoft Lync 'status presence' they are able to conference in an available ECC social services officer. All 3 officers additionally use functionality to securely share documents previously completed by the resident who confirms they are correct. Social services' input is with regard to the vulnerability of the children involved and the resident is temporarily re-homed immediately. However, during the interview the Housing Benefit officer becomes increasingly concerned with some of the claimants documentation and additionally refers the case to Benefit Fraud. Benefit fraud are able to access all of the information including recordings of the actual video conference itself.

All of the officers coordinated their availability for this meeting with the resident in 'real time', none of them travelled and the resident's complex housing enquiry was resolved there and then – virtual 'One Front Door'

Appendix E – Customer Services

How services will be delivered by Customer Access Channels

A fundamental aim of the project is to create a customer service environment that makes the partner organisations appear to the user as one: the concept of One Front Door.

It is recognised that customer interaction has channel shifted recently especially since the closure of the cash offices. There has been more emphasis on digital, self-service and third party means of contact – and this is a key element of the County Council's future customer service plans too.

Customer services will be provided by the most appropriate channel(s) to achieve the most effective service delivery for all parties. However, there will be some customers who choose to contact us by other means. This will need to be taken into consideration when implementing changes in customer channel management.

Other customer expectations which will also be a key factor when focusing on service delivery including waiting times, quality of response, the right response first time, minimise the hand offs to other officers and a positive outcome. This in turn will reduce the time taken when dealing with the customer and will provide a more joined up response to a number of scenarios. One of the first steps to achieving this is by identifying the synergies in the services provided now and in the future and by talking to our customers so we can understand their needs.

The success of the Customer Service Hub concept is also reliant on the provision of suitable resources e.g. staff, equipment, premises in meeting customer expectation and achieving business objectives.

Face to Face – in the office

- The Customer Service centre will combine all essential services to provide a single complete environment for customers, especially those who require more specialised and sensitive help and advice.
- Customers will need a focal point on arrival in the building whom they can approach. It is expected that this will be a “podium” style facility which will provide a meet and greet reception function. The reception staff would deal with a range of general enquiries. Officers would be called upon by reception staff for service specific issues.
- Additional staff would act as floorwalkers/queuebusters in the public space to complement the reception function. This will provide the most effective form of service for both customers and officers.
- It is expected that the level of service provided by the reception staff will be consistent with that provided by the switchboard. Staff will be interchangeable and will also be supported by Contact Centre staff.
- By combining services we can release experienced staff from dealing with general enquiries so they can deal with the more complex functions. Improved customer service follows on from standardising the customer interaction and combining experience and knowledge.
- Interview rooms and desk areas with appropriate equipment will be made available as required.
- We would need to establish what services our partners and other organisations want to provide and what form of representation they require in a shared hub environment. It is essential to identify the synergies such as social care, schools and adult and community learning to provide the best fit for service provision.



Face to face – across Tendring

- Delivering our services to towns other than Clacton and rural areas should reflect customer demand and be based on using shared premises with other public service providers.
- We already have a successful surgery arrangement in Harwich in partnership with the CAB in relation to Revenues and Benefits. Also Housing has surgeries in Harwich through the Job Centre and there have been various roadshows organised in relation to projects such as

Coastal Erosion. We would be able to provide a fuller service, based on customer demand, where needed and in partnership with the County Council or other public service providers. As an alternative to fixed based surgeries we will explore the use of mobile units such as mobile libraries and community buses to access the more remote areas of the district.

- We will continue to provide home visits for those customers where it is the most suitable means of contact for the customer e.g for the vulnerable and disabled. Additionally this may be the most preferred means of contact for the organisation in certain circumstances e.g. enforcement and inspections.
- Virtual office provision can be used to create face to face meetings when the customer can't be in the same room, perhaps from one of the market town sites or to a County Hall function.

Electronic/Self-Service:

- The Contact Centre can be expanded to cover all essential services for telephone contact. Providing experienced staff to work with the Contact Centre on a rota basis as a call taker from sections has already been proven to work in Revenues and Benefits section. Dealing with as many customers as possible at the first point of call provides the caller with the best possible customer experience, reduced avoidable contact and saves resource costs for a longer interaction. The Contact Centre would be able to deal with more in-depth enquiries than the switchboard which is the equivalent of the meet and greet reception. Switchboard staff will be interchangeable with reception and will also be supported by Contact Centre staff.
- Website - Ongoing development of websites is essential to ensure availability and up to date information to all customers including those in the Customer Service Centre. By providing computers for the customers use with easy access to forms, payments, electronic contact details we can reduce physical interaction. With links to our partners sites we can combine a full range of services on-line.



- Digital inclusion – We should be committed to promoting this initiative and others like it, providing a platform to educate our customers in the use of digital means of contact. Get Online @ Home, is one of the initiatives being run in partnership with Microsoft to help with bringing IT to as many people as possible.
- Increased use of twitter, facebook and SMS text is essential in keeping our customers informed and allowing them a

further means of contact. Although this method has been previously explored in different parts of the organisation, the service will be enhanced by taking a co-ordinated approach to customer service.

- With the on-going development of smart phones and tablets with web access and by providing apps for our customers we can utilise the fastest growing form of interaction.
- Kiosks – These could be sited within the Customer Service Centre or other premises such as post offices or supermarkets anywhere in the district. This will provide greater convenience for customers both in terms of location and hours of availability. By exploring our customers behaviours we can identify the most convenient and effective locations. Also by providing kiosks outside of buildings we are able to potentially give our customers 24hr services.
- Automated telephone contact through Interactive Voice Recognition (IVRs) - We already provide an automated payments line for customers. This could be expanded to variety of services.



Services identified to date include: –

Housing & Ctax Benefits	Planning
Housing –	building regs
▪ rents,	Environmental -
▪ homelessness	▪ dog warden
▪ repairs	▪ radar Keys
Council Tax	▪ waste/ recycling
NNDR	▪ pest control
Careline	Rail Cards
Parking Permits	Electoral Services
Beach Huts	Civic Services
Tourist Information	Regeneration
Theatre Bookings	Legal
	Asset

ECC/other agencies, e.g. JCP, CAB, Housing associations - we need to establish their involvement

Customer Access Channels

Face to Face	Electronic / Self-Service
<ul style="list-style-type: none"> ▪ Customer Service Hub Premises ▪ Surgeries ▪ Home visits ▪ Mobile office ▪ Other agencies <ul style="list-style-type: none"> ○ Library ○ CAB ○ JCP ○ Post Offices ○ Town Councils ○ Fire/Police/Ambulance premises ○ Community centres ○ Schools 	<ul style="list-style-type: none"> ▪ Phone <ul style="list-style-type: none"> ○ contact centre ○ switchboard ○ direct ▪ E-mail ▪ SMS Text ▪ Web ▪ Twitter ▪ Face book ▪ Kiosks / P.C.s <ul style="list-style-type: none"> ○ Customer Service Hub Premises ○ Non-customer Service Hub Premises e.g. supermarkets, railway stations, libraries ○ Outside e.g. seafront, town centre. ○ Automated systems e.g. Payments line and Interactive Voice Recognition systems (IVRs)