

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

12 DECEMBER 2014

JOINT REPORT OF THE LEADER OF THE COUNCIL, THE PORTFOLIO HOLDER FOR FINANCE AND TRANSFORMATION AND THE PORTFOLIO HOLDER FOR PLANNING AND CORPORATE SERVICES

A.2 TRANSFORMING WORKING ARRANGEMENTS

(Report prepared by John Higgins, Barbara Pole, Colin Sweeney, Mark Westall, Anastasia Simpson and Andy White)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
<p>To update Members on measures to transform and modernise working methods including:</p> <ol style="list-style-type: none"> 1. The progress of the IT investment programme approved by Members a year ago and to outline the next stages. 2. To update Members on progress regarding potential office rationalisation. 3. To consider the potential disposal of the Council Offices at Frinton to facilitate joint local service provision. 4. To update Members on the evolving staff development programme. 5. To seek Members' approval to create additional interview rooms and reception space at the Pier Avenue offices, 6. To seek Members' approval to fund and procure a new electronic Committee Management system and to develop proposals for improvements to IT for Members, 7. To seek Members' approval for the funding of alterations to The Bungalow at Alexandra Gardens and the purchase of additional equipment to enable the development of new scanning and postal processes to support the whole Council. 8. To provide the budget to engage temporary staff to undertake scanning of existing planning and other departmental records.
EXECUTIVE SUMMARY
<p>The Council is engaged in a number of strands of activity aimed at investing to save and transforming working practices following on from Fundamental Service Reviews. It is looking to give Members and staff the best tools it can to do their jobs in terms of environment, practices, equipment and skills. This involves investment of time and money in the key Council resources of people, buildings and IT. This report brings together information on each strand to provide Members with updated information on progress and, in some cases, to seek decisions to allocate one-off "invest to save" funding to enable key aspects of the work to progress. Specific areas of activity are:</p> <ul style="list-style-type: none"> • <u>Information Technology (IT)</u> • Good progress on the enhancement works already underway to build capacity in the Council's information systems, which is being overseen by a cross-party Portfolio Holder Working Party.

- Continuing the implementation of the investment programme, approved in October 2013, that sets in place the hardware and infrastructure for change
- Further deploying technology to:
 - Modernise ways of working
 - Radically increase flexibility and mobility
 - Support the adoption of widespread electronic (“paperless”) working methods.

- **Rationalisation of Office Accommodation**

Generate cost savings, efficiencies and service improvement by focussing the delivery of services on:

- Preparing for consideration of options for changes to major office sites by a new administration in 2015, to include shared working with ECC, other partners and a community safety hub (deferring any decision on Weeley until next summer).
- Dealing with office sites that have already been vacated:
 - Clay Hall – Disposing of the property on the open market, subject to a further decision.
 - Westleigh House – currently being used temporarily by seafront contractors. Future actions to be subject to a further decision.
 - Waddesdon Road – short term proposals for community use followed by a longer term decision in the New Year.

- **Council House, Frinton**

Proposed use of the General Disposal Consent Order to dispose of the freehold of the office building, subject to a requirement to make space available to Police, TDC and other partners for a local service hub.

- **Management Development Programme and Staff Learning**

The Council has adopted a “grow your own” approach to develop and retain key professional skills and is using in-house and modest external resources to deliver training and development opportunities for staff. This includes shared working with other Councils to get the best value from available budgets.

- **Additional Reception and Interview Facilities at Pier Avenue**

The recent move of the Fraud and Rents Teams to Pier Avenue, as part of the consolidation of the Life Opportunities Department under the FSRs, has highlighted a shortfall in the number of interview rooms. At the same time, it would be more appropriate if the Community Safety Hub, provisionally located at the Police Station, could relocate to the Pier Avenue Offices. These issues can be resolved by adapting the redundant Cash Office and Reception areas that already exist. The extent of work will be regulated in order to eliminate prejudging or abortive expenditure in light of any future decision on office rationalisation.

- **New Electronic Committee Management System**

Increase the efficiency of the democratic and decision-making process by the:

- Procurement of new software to manage the production and distribution of agendas, reports and minutes etc.
- Introduction of further Member IT improvements (aimed at the new Council commencing in May 2015) subject to the implementation of key elements of the IT

investment programme - to be developed and subject to a further separate decision by Members.

- **Electronic Document Handling**

Increase the efficiency of the Council's handling of correspondence and facilitate electronic working by:

- Investing one-off funds to create a central document interchange in Alexandra Gardens
- Making use of electronic document handling software acquired in the IT modernisation for distribution and storage of documentation
- Centrally scanning and distributing the majority of incoming correspondence, starting with services based in Clacton.
- Centrally, electronically checking and despatching all outgoing correspondence

- **Recruitment of Temporary Staff**

Undertake back-scanning of historic information, initially within Planning Services and then in assisting other departments within the Council by:

- Investing one-off funds to engage temporary staff to assist with the digitisation of archives and records, focussing initially on the Planning Department and then on other priority areas such as Licensing.
- Making budget provision of £50,000 to fund two full-time equivalent staff for a period of 18 months.

Costs and Benefits

There are no ongoing revenue financial commitments included in these proposals. The proposed expenditure of £142,000 is one off and the savings of £59,200 are annual and ongoing.

The benefits of the proposed investments are wider in that they will combine to support new and more efficient ways of working across all services and provide the opportunities for the development of new, as yet unknown, improved working arrangements as staff come to understand the new facilities and see opportunities to exploit them. These changes will, in turn deliver better and more efficient services to the public.

RECOMMENDATIONS

That:

- 1. The progress of the IT investment programme and the proposed next stages be noted;**
- 2. The progress of consideration of potential office rationalisation, including potential future decisions on the potential disposals of Clay Hall, Westleigh House and the offices at Waddesdon Road be noted;**
- 3. Cabinet considers the status of the Cash Office at Frinton and:**
 - a. Agrees the principle of the disposal of the freehold of the Council House at Frinton, to Frinton and Walton Town Council, for a nominal sum in return for the permanent availability of shared office space for TDC and other partners;**

- b. Subject to the foregoing, authorises the use of the General Disposal Consent Order to facilitate the disposal at less than the Best Consideration Reasonably Obtainable;
 - c. Subject to the foregoing, delegates the determination of the principal terms of the disposal to the Corporate Director (Corporate Services) in consultation with the Portfolio Holder for Regeneration, Inward Investment and Asset Management; and
 - d. Subject to the foregoing, authorises the Corporate Director (Corporate Services) to dispose of the property to Frinton and Walton Town Council on such other terms as he considers appropriate;
4. The progress of implementation of the Council's Staff Development activities be noted;
 5. The expenditure of £30,000 for the alteration of the redundant cash office to increase office, reception and interview facilities and a location for the Community Safety Partnership Hub be approved;
 6. The expenditure of £15,500 for the procurement of a new Committee Management System be approved;
 7. The expenditure of £46,500 for the development of new scanning and postal processes and the procurement of alterations to the Bungalow in Alexandria Gardens and equipment be approved;
 8. A one off budget of £50,000 for the recruitment of two temporary staff for 18 months to carry out the digitisation of existing records be approved; and

The one off invest to save funding proposed in this report (recommendations 5, 6, 7 and 8) be met from the 2014/15 Fit for Purpose Budget.

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.

The Council needs to streamline all of its practices and generate efficiencies. The proposals within this report set out how the Council is making the transition to this new, more efficient way of working and seeks decisions to enable further progress to be made.

FINANCE, OTHER RESOURCES AND RISK

Finance

The measures set out in this report represent a set of measures aimed at investing to save and developing the transformation agenda.

Decisions on the IT investment programme and joint HR and payroll management software were made in October 2013 and August 2013 respectively and are fully funded.

Office rationalisation measures have potential to yield significant revenue savings. The full potential of further rationalisation of office accommodation and detailed financial implications of the proposals will be considered as part of future decisions.

The proposed new electronic committee management system will open up the potential for changing and improving Members IT. The initial investment in the new software and set-up cost is estimated at £15,500.

The potential disposal of the Council Office at Frinton will not lead to a capital receipt but has the potential to yield revenue savings in the order of £9,600 per year (based on a five-year average). The disposal of Clay Hall is likely to result in a capital receipt in excess of £210,000, subject to planning and marketing, and revenue saving in the order of £13,600 (based on a five-year average).

The conversion of the redundant cash office at Pier Avenue to interview rooms at an estimated cost of £30,000 will embed efficiencies sought in the FSR.

The equipment for the development of new scanning and postal processes is already scheduled for renewal within existing budgets at an estimated cost of £20,000. An increase of £11,500 in the funds allocated to this will facilitate the purchase of equipment suitable to serve the whole Council. The alteration of the building will cost an estimated £35,000 and dealing with the scanning of archives would incur a one-off set up cost estimated as £50,000. It is estimated that annual cost savings will amount to around £36,000 per year, as detailed in the current position section of this report.

In summary, the proposals set out in this report are partly funded already. Additional one-off investment of the following can be met from the Fit-for-Purpose Budget, which was established to provide one-off invest to save investments like those set out in this report:

Provision of revised interview rooms	£30,000
Purchase of new committee software	£15,500
Enhanced equipment replacement	£11,500
Print Unit alterations	£35,000
Fixed-term staff for back-scanning	<u>£50,000</u>
Total	£142,000

The estimated on-going annual revenue savings estimated of the proposals are:

Frinton Office running costs	£9,600
Clay Hall running costs	£13,600
Revised postal processes	<u>£36,000</u>
Total	£59,200

In addition it is anticipated that the disposal of Clay Hall will achieve a substantial capital receipt.

Risk

IT and HR Projects

The reports seeking approval for these projects identified a number of risk areas. Officers continue to work on the projects seeking to manage the risks as set out in the reports. Any failure to move forward with the deployment of technology risks losing efficiency. The enhancement of staff development and training is aimed at reducing the risk of skills shortages and poor staff retention. These issues could affect future ability to deliver services.

Office Rationalisation

The office rationalisation proposals will include building works and property transactions. Both of these fields have inherent risks and these will be identified in the future reports when they are drafted for Members to consider.

Frinton Council Offices

Aspects of the acquisition of the land that the building was erected on, and the agreement to lease most of it to the Town Council, are atypical and there appears to have been some mis-drafting. There could be some potential to seek consideration but this would be at the risk of legal dispute. The risks need to be balanced against the overall objectives of providing joined-up public services.

Revised Reception and Interview Facilities

The alteration proposals will include building works and this has inherent risks. These will be managed by officers during the course of the works.

Committee Management System

The proposals will include both software and training issues, both of which have inherent risks. These will be managed by officers as part of the delivery of the project.

Postal Systems

Properly addressing confidentiality is a key challenge. Staff will be trained to know what to do with particular correspondence (e.g. private, confidential or for general consumption) and to observe confidentiality, in accordance with new working arrangements.

Appropriate storage, access and retention of documents will be subject to agreed deadlines and any requirements contained within the Council's Document Retention Policy. Electronic files used to store scanned post, and other documents, will be secured so that only identified recipients and designated operators can access them.

The existing print unit has become filled with a degree of unsatisfactory equipment and old stock. The proposed works will include opening out the building and clearing historic stock and equipment both in the interests of efficiency and safety.

LEGAL

Property Dealing

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that decisions on the acquisition and management of its assets are for the benefit of the district.

Section 123(1) of the Local Government Act 1972 indicates that a local authority may dispose of land held by it in any way it wishes, so long as (Section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable, provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social well-being of the area.

Section 123(2A) to the Local Government Act 1972 indicates that, a local authority may not dispose of land held by it without advertising its intention to do so in the local press.

In this case, none of the land is open space. It is proposed to make use of the General Disposal Consent Order (England) 2003 to dispose of the office building at Frinton in return for the creation of shared community service facilities. Other transactions are likely to seek the best consideration reasonably obtainable.

General

Officers will tailor the detail of the electronic systems and procedures in order to ensure compliance with relevant legislation such as the Data Protection Acts and the Police and Criminal Evidence Act.

Delegation

The estimated costs of some elements within this report fall within the parameters for delegated decisions by officers and portfolio holders. However, in the interests of transparency and presenting a cohesive picture of the proposals, the portfolio holders have agreed that the package should be considered by Cabinet in one report.

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.

Consultation

Where Democratic Services staff will be affected by the proposed changes, they have been fully consulted and are supportive. Council Services are largely supportive of the overall proposals. However, it is recognised that some operational concerns have been raised by departments with regard to proposals concerning the handling of incoming mail and these will need to be addressed at a later stage as the project moves forward.

PART 3 – SUPPORTING INFORMATION

BACKGROUND, CURRENT POSITION AND PROPOSALS

The Council's officers have been working on a number of projects aimed at transforming the way that they work. These projects have progressed at different rates and it is opportune to take stock of the position overall and to consider some additional steps. The overall aim of these projects is to align with each other to follow on from FSRs to empower the Council's staff and provide them with the best tools the Council can to do their jobs efficiently and effectively and to work with partners to share and improve services.

The combined objectives are:

- Modernising ways of working
- Much greater flexibility and mobility
- Give staff equipment and skills
- Less reliance on paper and access to documents and information remotely "anytime/anywhere".
- Rationalisation of office accommodation
- Shared working with Essex County Council and other partners
- Improve and embed the Community Safety hub
- Achieve affordable local contact points
- Streamline handling of correspondence and Agendas, Reports, Minutes etc.
- Better IT for Members

The aim of these measures is together to make all of the Council's processes more efficient and effective, to save money, improve services and aid the delivery of objectives. The following sections include details of proposals in the main areas of activity.

1. IT Investment Programme.

On 06 September 2013, Cabinet decided to proceed with a package of strategic infrastructure investments to:

- Replace network infrastructure and data storage
- Standardise and modernise the Council's hardware and software
- Implement performance improvements for system users, residents, visitors, members and officers
- Provide flexible working and support more modern working practices where these are appropriate
- Enable Electronic Document Record Management
- Enhance the Council's image and customer service,

The Council's IT Team is deploying a range of initiatives with the key transformational themes of driving down IT operating costs, flexible working, improving data security, reduced reliance on paper, increased IT resilience and speed, supporting workers in partner locations and striving towards easily accessible 'information anywhere'.

Key tasks completed include:

- Server Virtualisation Programme: Well advanced onto the loading of two new Storage Area Networks (SAN). Each server virtualised will reduce costs and increase resilience.
- Acquisition of new laptops to be prepared for issue commencing December 2014.
- Procurement of a BT replacement voice and data network including new high speed and capacity 10Gbt links between Town Hall and Pier Avenue and Barnes House (now completed).

Key tasks planned for early 2015 are:

- Citrix Virtual Desktop Infrastructure (VDI) User Acceptance Testing (UAT)
- Windows tablet mobility trials to commence subject to Citrix UAT
- New and Replacement WIFI network for all sites (including Leisure Centres)
- IDOX Electronic Document Records Management System (EDRMS) software upgrade
- Windows mobile phone trial (in progress)
- Roll-out of new laptops

Availability of Broadband in Tendring

These upgrades will facilitate flexible and remote working at any place in the district, subject to broadband or 3G signal available so the availability of broadband is important if staff are to be able to work remotely. At present, there are some areas where broadband and 3G is not available. The Council is working with BT and Essex County Council to increase the scope of cabled broadband in the district and it is estimated that, at the completion of the third phase of this work in 2015, 90% - 93% of the district will have a fast broadband connection. The Council is also working with other partners to deliver wireless networks in other areas.

2. Potential Office Rationalisation

Since January 2012, the Council and County Council have worked together with Improvement East to develop a set of options for making better use of the Council's office accommodation using funding approved via E17, a collaboration of Essex Public sector organisations aiming to drive improvement in property management.

In November 2012, the East 17 Board 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 both Councils' future financial outlooks and priorities.

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

The Community, Leadership and Partnerships Committee considered the matter on 15 April 2013 and reported to Cabinet on 17 May. The Committee resolved to support the completion of a more detailed feasibility study. On 06 October 2013 Cabinet resolved to proceed to a formal feasibility study and business case stage.

The Council's officers have been working on the development of a detailed feasibility study and business case for the rationalisation of office accommodation, including the consolidation into two main sites in Clacton, including sharing with partners. The detail of shared working mechanisms and the implementation of technical changes are still under way. It is proposed that any major changes are deferred until the proposals set out in this report are completed and bedded-in and that this should be considered in the summer of 2015.

None the less, there are some actions that the Council can take that have smaller financial implications and do not pre-judge the wider decisions on sharing and office accommodation:

- Council Office at Frinton – to transfer the freehold to the Town Council as detailed below.
- Community Safety Hub – to adapt the former cash office in association with increasing the number of interview rooms as detailed below.
- Westleigh House – The building is currently occupied by the contractors working on the coastal defence works. No rent is being charged in an effort to limit the potential for the cost of that scheme to increase. It is likely that the occupancy will be on-going until at least August 2015. It is therefore proposed to continue this occupation in the short-term and to consider the long-term future of the building, together with the potential wider rationalisation.
- Waddesdon Road – A recent short term agreement with electronic equipment repair firm to use the building has ended. The position of the building and its connection to the adjoining sheltered housing make the potential for a freehold disposal limited. Income from rental of the property is more likely to be of optimum use to the Council. It is therefore proposed, subject to further decision, to make the building available to the Winter Warmers organisation during the winter, while marketing the property, and then enter into a longer term lease of the premises for community or commercial use following the marketing and a further member decision in the New Year.

- Clay Hall – The condition of the building is deteriorating. Officers have considered a small number of options for the building, as follows:
 - Demolishing and converting to open space. Costs would be considerable, no receipt would be generated and the area would take some years and investment to reach a good standard.
 - Leasing as offices or accommodation - the building is not in a suitable condition.
 - Developing as social housing within the HRA - the focus of housing investment is in Jaywick and the Council has to be careful not to overcommit its resources.
 - Almshouses – the Corporate Director for Life Opportunities has been in contact with an Almshouse charity but it can only develop the site if it is gifted to them, potentially with a grant or endowment.
 - Disposal – A small number of parties have expressed interest in purchasing the building, either as a residence or for development. This could well lead to a useful capital receipt.
 - Accordingly, work is now under way to openly market the site. Initial interest is strong and tenders are due to be returned to the agent in January. A further formal decision will be required prior to disposal.

All of these measures are cost effective and will be in the long-term interests of the Council whether further office rationalisation occurs or not.

The key remaining decision, whether to consolidate office use further and vacate the Council Offices at Weeley is one which it is felt should better be made by a new administration following the May 2015 elections. A full report on that issue will be brought before Members in the Summer of 2015.

3. Council House At Frinton

The Council House is located within the Triangle Shopping Centre off Rochford Way in Frinton. Tendring District Council owns the freehold of the whole building and the main part of it is held on a long lease by Frinton and Walton Town Council. The lease was granted in 1986 for 99 years and expires in 2085. The building was constructed specifically as Council Offices, by the Council, for itself and for the Town Council.

The Town Council occupies the main part of the building under the lease but TDC retained an office and space within the building for its own use as a cash office. This cash office has been closed since October 2012 and TDC has no staff located within the building. The Town Council still occupies its areas of the building and TDC has given a short-term consent for the retained areas to be used by the Town Council for storage during building works.

The Town Council has requested that the freehold of the building be transferred to it under the Community Asset Transfer Policy. The Community Asset Transfer Policy does not include transfers to other councils, but there is no reason that the Council should not consider any suitable proposal in the same way.

The District Council is considering the need to maintain and improve services in all parts of the District and the building could be a suitable site for a shared community service point. The Council would not seek to occupy the building at all times, but to establish periodic events, surgeries, drop-in facilities and a more general shared public service delivery.

The most productive use of the building would be by way of a shared agreement with the Town Council. Alternative resolution of outstanding leasehold issues would require legal action and could involve costs and dispute.

Accordingly, it is proposed that Cabinet determines, in principle, to transfer the freehold of the building to the Town Council for a nominal sum and on-going use rights under the provisions of the General Disposal Consent Order (England) 2003. It is also proposed that the final terms are delegated to the Corporate Director (Corporate Services) in consultation with the relevant Portfolio Holder.

4. Staff Development Programme

The Fundamental Service Reviews of 2013/14 resulted in a significant reduction in the number of staff and a significant number of people progressing to take on more supervisory or managerial roles. The Council has taken steps to both improve its HR and Payroll information systems to ensure effective management of the workforce and also invested time and money in seeking to develop the skills of the staff now taking leading roles within teams across the Council.

Since the Summer of 2013, the Council has been working to upgrade its Human Resource Information System to interface with payroll and provide some self-service access for staff with purchasing and implementation taking place over 2014. This has resulted in a single staff database used by both HR and Payroll for the first time and the potential to increase staff and management access to data and to introduce on-line claims and transactions.

In July 2013 a review and rebalancing of the distribution of training budgets across the Departments was completed. This now enables all staff equal access to training funds needed for short role specific training and for support for continuing professional development (CPD).

It has also improved the central provision for management development and strengthened the central qualification sponsorship budget which is vital for developing the skills needed to achieve the Council's priorities. For example qualified Planning Officers are a difficult to recruit professional area so we are looking to 'grow our own' by supporting local people through their professional development with sponsorship and departmental CPD. Sponsorship is underpinned with a training contract to retain staff post-qualification. Such an approach does however place a high demand on the training budgets available and every effort is made to ensure good value is obtained on all aspects of training.

Workplace transformation requires workforce changes that are both physical and cultural in nature. Workforce Development initiatives play their part in improving the climate in which managers work to bring about the necessary cultural and behavioural shift.

The Council's Human Resource Managers have engaged in a small series of initiatives that are aimed at recruiting, developing and training the high quality of staff that the Council has developed within the FSR programme. This is part of the "Grow your own" approach to key professional skills and a development of the transformation agenda.

The primary tools and initiatives from Human Resources in this regard are:

- Competency Based Recruitment – to aid the selection of new employees with the behaviours the managers need.
- Career Grade Schemes – to relate pay progression to the behaviours, competence and performance managers want.
- Qualification Sponsorship – to create the underpinning professional knowledge the Council's services require.

- Management Development – to support managers in their role of getting the best from their staff.

The Management Development Programme (MDP) is a sophisticated, flexible and cost-effective offering that can meet a range of development needs.

The tutor-led programme is delivered in-house by an external management development specialist to the Council's specific requirements and is focused on practical skills and techniques that help with managing and leading staff. It also develops the managers' coaching skills and assists them in a detailed self-review and personal development planning. It is supported by the individual's line manager to assist in transferring the learning into practice in the workplace. The programme looks at Leadership, Culture, Performance, Staff Development, Team Building and Organisational Change, which are all vital to effective transformation.

The HR Workshops offer a programme of topics delivered in 'bite-sized' sessions of around 45 minutes that focus on the Council's processes and procedures. In combination, these two elements cover 'what to do' and 'how to do it'.

The third element provides a qualification or accreditation option and is split into either a qualification based on testing knowledge or one based assessing application in the workplace. In either case, managers have the option to undertake a qualification at Levels 2, 3 or 5.

In addition to the above "central" training and development activities, a number of teams across the Council have run ad hoc "lunch and learn" sessions to which all staff are invited and which allows staff to learn about the work of the team and the key issues it deals with.

Human Resource issues are the responsibility of the Human Resources Committee and not the Cabinet but this information is included here to give Cabinet Members a rounded view of the range work strands the Council is progressing to re-engineer the way it works following the FSRs – in this case by developing the skills and competencies of the staff, including those who have taken on wider responsibilities where senior and experienced managers have left the organisation.

5. Alteration Of The Redundant Cash Office

In October 2012, the Council ceased its own cash office functions. The redundant area has remained unused since that date, except for some low-level storage. Within the Fundamental Service Reviews of Life Opportunities and Corporate Services Departments, the Council's Payments and Fraud Teams have changed departments and locations. The addition of the Fraud Team to the site at Pier Avenue has highlighted a shortfall in the number of interview rooms required and the inadequacy of the sound-proofing of the rooms that exist.

The Council works with the police and partners in a Community Safety Partnership. In May 2014, key staff co-located on an informal basis at Clacton Police Station and a pilot scheme for a Community Safety Hub began on 30 September 2014. This is based on the premise that public and voluntary services need to work more effectively together and to share information and that the best, simplest and most practical way to achieve this is for people focussing on similar issues to physically work together.

From the beginning of the pilot it was considered that the CS Team and some Police community safety related operations would be more effective if the Community Safety Team and Police front-line operations were located separately but the use of space in the

police station meant the initiative could get underway sooner rather than later. It is widely recognised that the public perception of the hub approach and the readiness of the public to engage with it would be enhanced if it were located outside the Police Station.

To meet the twin aims of addressing the shortfall and quality of interview rooms and establishing a new location for the Community Safety Hub it is proposed that a modest construction scheme is undertaken at Pier Avenue to convert the redundant Cash Office into good interview rooms and, at the same time, revise the Reception and old interview rooms in order to improve services and make space available for the Community Safety Team.

The estimated cost of this work is £30,000 and will improve facilities and services whether any future proposals to consolidate the use of offices are adopted or not. It is therefore proposed that this project is undertaken.

6. Committee Management System

The Council currently uses a computer package to manage committee papers, decisions and decision-making related public information. The software is dated and lacking in functionality required to maximise efficiencies, eradicate duplication and to keep costs at a minimum. Some concerns over the performance of the system have developed since its introduction. These include:

- Reliance upon democratic services staff to carry out a number of manual tasks related to the production of agendas etc.
- One-off system upgrades can cause delays in production and may be charged in addition to the Council's annual maintenance fee payable.

It is proposed to replace this system with a bespoke, web-based electronic committee management system to be operational from May 2015.

The introduction of the new system at a one off cost of around £15,500 will enhance the efficient running of the Council's decision-making processes by:

- Facilitating communication with a full range of mobile devices including laptops and other sophisticated hardware.
- Improving the accessibility of information about Cabinet, Committees and decisions by the public through the website.
- Allowing the development of reports and agendas using one shared platform – all officers involved in a report working on a single shared version rather than circulating and amending different versions.
- Eradicating duplication and significantly reducing manual tasks, thus freeing-up officer time to undertake other duties.
- Reducing the annual system maintenance costs, with an expected breakeven point of three years.
- Providing a more useful and user-friendly service for staff and elected members.
- Enabling flexible and no-cost adaptation and amendment of the system as the Council's needs develop and change.

The new Citrix-based Virtual Desktop Infrastructure (VDI), which will be introduced as part of the Council's IT Infrastructure Investment Programme, together with investment in a members' wireless network, combined with the new intranet "PING" and a new Democratic Information system have the potential to create a step-change in the quality of IT support for Members and it is proposed that new proposals will be developed to make best use of these elements.

A desire for improved IT services for Members was one of the issues which emerged at the recent Corporate Management Committee workshop on the budget. It is proposed to engage Members in the development of proposals in the New Year with a view to implementation from May 2015.

7. Scanning and Postal

The Council currently runs its own in-house print unit. Although this is a highly valuable resource, the current levels of demand make it hard to justify the costs of running the service. In addition, the unit has developed a backlog of inefficient equipment and a build-up of old and redundant stocks. The building has been partly converted from its original form as a bungalow but the internal spaces remain inefficient and unsuitable.

The existing post function is largely labour-intensive, cumbersome and time-consuming, albeit primarily undertaken by one member of staff. It involves the physical collection of post in the mornings by the Courier from Royal Mail's Penny Black House in Clacton, to be sorted, by hand, at the Town Hall and redirected, by hand, via internal departmental post boxes, or delivered to Weeley and Northbourne Depot. In addition to these two sites, a series of daily drop-off and collection visits is made to a number of the Council's other offices and leisure facilities.

In addition to current correspondence, the Council has a considerable archive of records spread throughout the organisation. In order to complement the electronic handling of new documents, these records need to be disposed of where no longer relevant or scanned and stored in the new systems for easy search and retrieval.

The Council decided to adopt an Electronic Document Management System (EDMS) as part of the IT improvement architecture. To make this system effective will involve:

- Scanning of incoming correspondence
- Electronic internal delivery either by email or direct into back office systems
- Retention and handling of records electronically
- Centralised printing and despatch of outgoing post

This interfaces with other proposals on:

- production of committee papers
- Remote access to services
- Improving IT systems
- Modernising working methods and flexibility
- Reducing costs.

Property and Equipment

The proposal includes converting the current print unit ("The Bungalow" in Alexandra Gardens) into a centralised post, scanning and printing facility to serve the whole of the Council. The estimated cost to convert the Bungalow to accommodate the new functions and equipment is £35,000. The bulk of this money will be used to reconfigure the internal spaces and install bespoke shelving and fixtures.

The Council already owns sufficient scanners to deal with the incoming post. These are already linked to IDOX software that will be enhanced in order to provide the EDMS function.

There are two multi-functional copiers in place, which the Council is contracted to retain until December 2014. It is proposed that this is reduced to one when the contract is

renewed. This will leave spare space for other equipment to be brought in.

The Council will need to purchase:

- (a) A new letter-opening machine at a cost of around £1,500, with annual maintenance fee of £150; and
- (b) A new folder and inserter, and related software, at a cost of around £30,000, with annual maintenance fee of £3,000.

It was already planned to purchase both of these items for use at Pier Avenue and a budget of £20,000 is allocated. An enhancement of this budget by £11,500 would facilitate the purchase of the foregoing equipment which would give us the capacity to serve the whole Council. The annual running costs will be similar to those of the existing equipment and will therefore be met from within existing budgets

Until new arrangements bed down, it is proposed that the Revenues and Benefits Teams will keep the existing machinery that they have. Once the new arrangement is a success, the old machinery can be decommissioned.

Staffing

The proposed new team will be staffed by:

- The existing Print Room Team: one full-time member of staff and one full-time post shared by two members of staff.
- two existing members of staff from the Customer Services Team from Life Opportunities on a flexible basis for busy periods; and
- The Council's Courier

All of the current staff involved have been fully consulted on the proposals and have welcomed them.

Resilience for the functions can be established within the team although, in exceptional circumstances, it may be necessary to reinforce the team with additional (existing) staff.

Outgoing Post

It is proposed that the Council:

- (a) Establishes a centralised print and postage budget centre to deal with all of the Council's standard printing and postal needs. This would attract bulk- discounts for the Council. However, discrete budgets and procedures will be retained for specialist jobs such as the production of ballot papers and the like;
- (b) Seeks to reduce postage costs by reducing the amount of first class post (except where summons are sent in relation to Council Tax arrears or official notices or other legal papers are served) standardising address formatting and using pre-printed (with the Council's licence number) envelopes and batching as far as possible. These measures allow the Royal mail faster processing and the opportunity for automatic measurement and charging to the account;
- (c) Sends all post, where possible, in standardised, pre-printed (with the postage licence number) C5 sized (160mm x 235mm) envelopes for the vast majority of the post it sends out. This will save the Council the time involved in franking, takes advantage of reduced postal rates and removes the need for franking machines and their maintenance charge of around £3,300 per annum.

This postal process is already in use for post sent from the Council's office at Pier Avenue. Rolling this process out to the two other main sites has potential to generate a saving in the order of £36,000 per year. The Post Office offer further discounted rates if the Council can use address data from the Royal Mail's database and batch correspondence. The proposed software offers the capability to take advantage of these discounts.

The current average cost per letter dispatched from the Revenues and Benefits service using unified envelopes is 30 pence. This compares with an average cost per letter of 40 pence for letters dispatched from the Town Hall and Weeley.

It is estimated that the cost savings resulting from a unified efficient outgoing post system could amount to around £36,000 per year based on the experience of the BRS team over the past three years when applied to the number of outgoing post transactions from the Town Hall and Weeley.

The potential savings are as follows:

- Total difference between costs incurred and using the uniform process is £42,000.
- Allow safety factor for higher proportion of parcels and first class post (15%) is £6,300 (during the period referred to, Pier Avenue sent 4% of letters by 1st class post and Town Hall, 9%.)
- Saving by adopting uniform postal processes throughout is £35,700 (say £36,000)

It is impossible to be precise since there can be no certainty in the number of letters sent in any given year however, all things being equal and given that officers can see no real reason as to why these figures should change drastically over the foreseeable future, then it is a good benchmark to use for the purposes of calculating potential savings arising from the introduction of this process.

Incoming Post and Scanning

It is proposed that:

- Where general mail (letters etc.) can be scanned and securely stored electronically, then this will be done.
- Where parcels, magazines etc. are received, these be redirected to recipients.
- Where mail is neither general or a parcel or magazine, officers develop the processes in place for dealing with incoming post over the medium-term to explore ways in which much of this can be scanned and retained electronically at source.

The equipment to scan, electronically send (email) and securely retain details of correspondence received is in place and its use will streamline the process of receiving and redirecting post received by the Council. By using the equipment and familiarising themselves with its capabilities, and with understanding the specific needs of departments and recognising the practical problems this might hold, officers will work to significantly reducing the potential challenges highlighted in respect of some post received.

The Council has acquired EDRMS software to provide it with the ability to address these issues. It is proposed to develop a series of projects, working with services, to maximise use of such equipment over the next two years.

Appendix A to the report provides flowcharts giving (a) details as to how outgoing post will be managed; and (b) indicative basis for project as to how internal post will be managed.

Taken together, these proposals have an estimated one-off cost of:

Building Alterations:	£35,000
Increased equipment budget:	£11,500
Total:	£46,500

These proposals offer potential returns as follows:

- On-going annual cost savings in the order of £36,000 per annum

- Time and efficiency savings
- Reduced Courier Mileage and Time
- Reduced filing cabinet space
- Enhanced compliance with data protection and access legislation
- Increased ease of access to filed information
- Retained jobs and enhanced roles for current employees

8. Recruitment of Temporary, Fixed-Term Staff

In addition to the normal staffing of the Unit, it is proposed to engage two new, temporary, FTE post holders, employed on 18 month contracts, to assist in back scanning of existing records and that these staff will be based within the Planning Department at Weeley, but ultimately available throughout the Council.

Planning Services have a vast number of records held in archived hard files, spanning many years. Those of which are able to be scanned and securely retained electronically will be done. The pressure on physical space for filing such records at Weeley is of a premium so any means of reducing the current bulk there is to be welcomed whilst still adhering to the Council's retention policies.

The estimated cost of appointing two new, temporary fixed-term posts for a contract period of 18 months. Line management will be within the Life Opportunities Department, by the Commercial Manager but day to day supervision will be provided by the departmental teams that will be having their records digitised at the time. The cost of employing these fixed term staff, at Grade 1C SCP 9, is £49,410, pay award pending, and subject to the Council's job evaluation process, and to grading at recruitment. For budgeting purposes the sum of is £50,000 is included.

BACKGROUND PAPERS FOR THE DECISION

There are no background papers arising from this report.

APPENDICES

None