

REPORT TITLE: PROPOSALS FOR UPDATES TO RECEPTION

18 JULY 2018

REPORT OF PORTFOLIO HOLDER: CLLR STEPHEN GODFREY
(PROFESSIONAL SERVICES) AND CLLR STEVE MILLER (ESTATES)

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WARD(S): ALL

PURPOSE

This report sets out the proposal to create a space within the council offices to let to an external partner organisation to co-locate with the Council at the Colebrook Street office; and to enable customers who current pay with cash through the separate cash office to make payments at kiosks in the reception area that will be available for a longer period during the day.

The Council is investing in its estate to enhance our customers' experience at the City Offices. This report seeks to further enhance this by providing an alternative service for customers wishing to make payments by cash, card or cheque when visiting the offices; whilst enabling office space to be utilised and enhanced as a public sector hub.

RECOMMENDATIONS:

1. To approve in principle the closing the cash office and transform this space so it available for other organisations.
2. To approve additional funding of £23,000 for interim 'floorwalker' staff to ensure a smooth transition of service.

IMPLICATIONS:

1 COUNCIL STRATEGY OUTCOME

- 1.1 This report assists the Council strategy in delivering the outcome measure below that is within the aim of Winchester being a premier business location 'Seek to secure partners for a public service hub to be based around the City Offices/West Wing/Guildhall buildings'.
- 1.2 The Council also aspires to digitalise some of its parking services as part of this redevelopment and this helps deliver the Council Strategy through providing more of our services online.

2 FINANCIAL IMPLICATIONS

- 2.1 The cost of the refurbishment of the cash office is expected to be £10,000 and this will be funded from the capital receipts reserve. The expected income from letting this area is in the region of £20,000 per annum.
- 2.2 The one-off capital cost of purchasing two payment kiosks is expected to be £35,000. The on-going revenue cost of maintenance and licensing of the machines is approximately £3,000 per annum.
- 2.3 There is an estimated one-off cost of £23,000 to provide two floor-walkers for the transitional 6 months after the opening of the cash kiosks.
- 2.4 There is a potential redundancy cost associated with the closure of the cash office and subsequent staffing reduction. Details of the staff savings and costs are in exempt appendix 3.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 A procurement exercise to identify the best kiosk options and suppliers was undertaken. In accordance with the Council's Contracts Procedure Rules, three quotes were obtained for suitable hardware and the Council is now in a position to place an order for two in-the-wall kiosks.

4 WORKFORCE IMPLICATIONS

- 4.1 The Cash Office is operated by Exchequer Assistants from within the Financial Services team. Although two Exchequer Assistants work in the Cash Office at any time, they perform more functions than just taking payments from customers at the Counter. It is anticipated that the installation of self-service kiosks and closure of the Cash Office counter facility will reduce between 0.5 and 1 FTE which may result in a redundancy situation. A detailed breakdown of the expected savings to staff costs and the possible cost of redundancy are given in exempt appendix 3.
- 4.2 The Council's Managing Workforce Change Policy will apply. Volunteers for redundancy or early retirement would be considered wherever appropriate,

taking into account service need and cost justification criteria. Acceptance of volunteers for redundancy or early retirement is entirely at management discretion and there will be no right of appeal.

5 PROPERTY AND ASSET IMPLICATIONS

5.1 Discussions have been had with the Head of Asset Management, Estates and Regeneration who will be responsible for procuring and monitoring of the construction works of the project. Estates and Regeneration will control the budget for works.

5.2 The works are anticipated to be undertaken during January and April 2019.

6 CONSULTATION AND COMMUNICATION

6.1 The Council has undertaken an equalities impact assessment (appendix 2). A communication plan is also being drawn up to work with existing cash office users over the summer months of 2018 to highlight alternative means of payment (including use of direct debits, online payments and telephone payments)

6.2 If the proposals are accepted, the Council will consult with Unison and those staff directly impacted by the changes as set out in the Managing Workforce Change Policy.

7 ENVIRONMENTAL CONSIDERATIONS

None

8 EQUALITY IMPACT ASSESSEMENT

8.1 An Equality Impact Assessment (EIA) has been completed to identify the impacts of the change from making payments at the counter to the use of self-service kiosks.

8.2 This EIA has been used to assist in putting in place measures to mitigate any impacts raised through the EIA. Following the items raised in the EIA and the potential impact on some users, this report proposes implementing mitigation through. using floor walkers to assist those who may be unfamiliar with or lack confidence in using self-service machines. The report also proposes locating the kiosks at different heights to ensure easy access to those users of the service with a physical disability. The full EIA is appended to this report.

9 DATA PROTECTION IMPACT ASSESSMENT

None.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>Property – overrun of office fit out</i>	The Council will closely project manage this work. If a delay occurred, all properties are Council owned so arrangements can be made to continue service provision	
<i>Community Support</i>	Communication exercise to take place and any actions following the Equality impact Assessment. Floorwalkers to be in place to assist customers.	Different and wider opportunities to self-serve – reduced waiting times and more direct access. Access to make payments during all Reception opening hours (and at anytime online) rather than the constrained Cash Office opening hours of 08:30 to 16:00 Mon-Fri.
<i>Financial / VfM Risk that tenants for either the newly refurbished office cannot be found and rental income will not materialise</i>		Additional rental income to the Council
<i>Innovation</i>		Opportunity for greater partnership / joined-up working New digital solutions providing faster access to services for customers.

11 SUPPORTING INFORMATION:**Background**

- 11.1 The Council aspires to provide high quality services that can be accessed by our wide range of stakeholders. By co-locating other public and not for profit bodies at the main city offices, and through providing an enhanced availability of service, it is expected that this will improve the stakeholder experience with the Council.
- 11.2 The Council wants to develop its reception area to improve our customers' experience and make the interaction with the Council as simple and easy as

possible. A recent Portfolio Holder Decision (PHD) notice (PHD778) was approved on the 19 June 2018 which provided for additional works to the reception area and the purchase of payment kiosks to enhance and streamline the service provided. The Council is always reviewing its wider property estate and an opportunity has occurred to offer an opportunity to co-locate at the Council's campus at Colebrook Street. This opportunity will enhance the service offering provided from the Council office site in Colebrook Street for our customers to enable more services to be delivered by public and not for profit organisations.

Proposals

- 11.3 The Council wants to follow the principles of the Government 'One Public Estate' programme to improve our service offering. The three main principles are highlighted below
- a) Creating economic growth
 - b) Delivering more integrated, customer-focused services
 - c) Generating efficiencies, through capital receipts and reduced running costs
- 11.4 Through its digital services ambitions, the Council is planning to provide a different offering to customers from the current cash office service. The Council will be installing two in-the-wall payment kiosks within the refurbished city offices reception area; as well as promoting online and other payment options (e.g. paying at local post offices). Additionally, a new online sports pitch booking and payment system is due to go-live in the Summer 2018.
- 11.5 There is a nationwide trend in reduced use of physical cash within society. UK Finance forecast that the proportion of all payments made in the UK using cash will halve by 2026 (from 40% in 2016 to just 21% in 2026). For the City Council, cash payments currently represent less than 1% of the value of all payments received. Additionally, since 2012, there has been a 35% decrease in the number of cash transactions taken in the cash office.
- 11.6 The closure of the cash office will have an impact on the level of staffing required in the Exchequer Services team. The team currently operates the accounts payable (payments) and accounts receivable (income) functions as well as staffing the cash office. With the closure of the cash office, some of the back office services done by the cashiering staff will be retained and moved to the Financial Services office. However, a saving of 0.5 - 1 FTE of staff time can potentially be achieved by not operating the counter service. The ongoing saving in staff costs may however lead to a redundancy situation resulting in a one-off cost. Full details of the staff costs and ongoing savings are in exempt appendix 3.
- 11.1 The significant number of alternative options for customers to continue to pay cash to the Council, or use different channels, is expected to continue to provide services to enable access to payments options, including making a

payment in person at the City Offices. As part of the roll out of the new kiosks the Council is investing in some 'floorwalkers' for up to six months during an initial period that the new style service is in operation. Much the same as staff currently deployed in branches of most high street banks to facilitate a move from counter-based interaction to kiosk self-servicing, these staff members will welcome all customers visiting to the centre, proactively approaching those looking to pay cash, use the self serve portal and the scanning desk and taking them through the transactions step-by-step. The floor walker will be able to assist the receptionist during periods when there are fewer customers in need of orientation support. They can offer reassurance that the change to this more modern method of payment is becoming standard practice, underline how simple and fast the transactions are.

- 11.2 The kiosk option being proposed is for two in-the-wall style self service machines that can be installed at different heights, allowing for easy access. The touch screens can be fully customised to Winchester City Council's requirements and branding. The following photograph shows the type of installation that can be achieved.



- 11.3 As part of future enhancements, the Council is looking at self-service scanning options for residents to scan documents that are currently brought into reception and scanned by members of staff. The Council is also seeking to provide greater parking services online to reduce the need for customers to keep visiting the reception area and provide a greater level and ease through more self-service.

Timescales

- 11.4 The work required to the accommodation is expected to be completed by April 2019.
- 11.5 Once the main reception works are completed and the kiosks have been brought into use, the refurbishment works on the proposed lettable area are anticipated to commence in January 2019.

Conclusion

- 11.6 This is a positive opportunity for the Council to enhance our offering to our customers and to also provide additional income to the Council. Subject to the outcome of the EIA, it is proposed to move forward with this new facility opening in early 2019.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 Retaining the existing cash office is not recommended. The cash office has limited opening hours (08:30 to 16:00) each day to allow for cashing-up prior to the closure of the city offices. Furthermore, because the cash office is standalone, it requires two staff to be present to avoid issues associated with lone-working. As detailed in paragraph 11.6, there is also a decline in the volume of payments taken over the counter in the cash office.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

PHD 778 – Reception June 2018

Other Background Documents:-

None

APPENDICES:

Appendix 1 – Equalities Impact Assessment

Appendix 2 – Staff savings and redundancy costs (exempt)