

16 February 2016

Policy, Finance & Resources Committee

Service Delivery Hub – Update Position

Report of: Phil Ruck, Head of Paid Service

Wards Affected: All

This report is: Public

1. Executive Summary

- 1.1 The following report provides a status report on the present position of the Service Delivery Hub (SDH). The SDH is key to improving the occupancy of the Town Hall, provides a centre of excellence for customer service for the residents and users of the Town Hall, whilst at the same time reducing the cost to the Council of operating in the Town Hall.
- 1.2 Further information is provided within the report on the work which will result in the potential of some early adopters who will relocate to the Town Hall prior to the completion of the SDH project.

2. Recommendation

- 2.1 That approval is given to the Head of Paid Service, Section 151 Officer and Chair of P, F & R to finalise the detailed negotiations for the Service Delivery Hub to co-locate the interest parties.**

3. Introduction and Background

- 3.1 Brentwood Borough Council has been working towards developing a co-located Service Delivery Hub in the Town Hall. This was brought to Members at the Policy, Finance and Resources Committee 02.11.2015 (Min 210). The Council has had initial discussions with many groups and organisations across the Borough. A very successful combined workshop was held in the Town Hall in October 2015. All present clearly expressed an intention to work with the Council.

3.2 A core set of organisations has emerged who are committed to the development of a SDH. This does not mean the opportunity for others has been lost but, to progress the project on some form of assured footing, formal identification of those groups who are able to commit at this stage needed to be established. These groups are:

- Police
- Essex County Council (representing Registrars and Libraries)
- Job Centre Plus (JCP)
- South East Ambulance Service
- Citizens Advice Bureau (CAB), and
- Council for the Voluntary Service (CVS)

3.3 The aim of the SDH is to see the co-location of these groups into the Town Hall.

3.4 The establishment of this group enabled the project to focus on an initial Outline Business Case and begin to prepare development and work for the Detailed Business Case. So far:

- The project team have met regularly
- The memorandum of understanding has been signed
- Outline Business Case for consideration has been developed
- Begun work on a Detailed Business Case which will develop, identify options, feasibility and financial models

3.5 Information for the Detailed Business Case is now being gathered. This will concentrate on:

- Space requirements for each organisation
- Shared space options
- Areas of cohesion and joined up service provision
- Financials
- Digital improvements for the customer
- use of any space remaining

3.6 This work will enable visual representation of the SDH to be created and help establish options, which will be worked up into design briefs, which in turn will assist the financial modeling.

3.7 The work being undertaken will begin to:

- firm up the space required specifically by the hub,
- back office space
- remaining space for a potential business opportunity for the Council.

3.8 These opportunities have previously involved Chromex and discussions will again be held with them once space is established to see if the business opportunity still exists. However, due to the likely changes in space available, the financial terms and the heads of terms will need to be re-negotiated in order to secure a better deal.

3.9 The timeline for the SDH project (up to the development of the DBC) has been established, see Table 1 below. The project timeline beyond this phase will be developed once more detailed information is available.

3.10 Table 1

Milestone Description	Target Date
Sign off outline business case	January 2016
Organisation to work up options and costs	February 2016
First Draft DBC circulated	May 2016
Draft DBC submitted to Project Board for consideration	May/June 2016
Final DBC submitted to Project Board for consideration by own Governance	June 2016
Feasibility and financial commitment	July 2016

3.11 Early Adopters

3.12 In addition to the above, the Council is working with CAB, JCP, Police, South East Ambulance Service and Essex Libraries to consider the possibility of early adopters (i.e. relocating to the Town Hall ahead of the SDH development). This will enable some important lesson learning, immediate service improvements for customers as well as some potential financial benefits from those moving across. This needs to work for each group and be in parallel with the SDH development.

3.13 With the above in mind, please note that discussions with the Police and CAB are being advanced and it is envisaged that potential early adoption/relocation is likely, however due to sensitivity at this stage detailed timelines cannot be discussed.

3.14 Financials

3.15 Once the DBC has been considered and the proposal agreed, detailed costs will be ascertained as part of the feasibility process. Based on previous information, the cost to bring the Town Hall up to a reasonable condition is in the region of £5.8m (Ordinary Council 10 Dec 2014) including ICT upgrades and improvements which form part of the modernization programme.

3.16 Any upgrade will need to include the replacement of the windows and improvements to the roof and heating. It does not include air conditioning.

3.17 An assumed income can be estimated at this point. However, without any assurance of actual numbers, space and size required by each group, it is difficult to give assured information on the income. This work is presently ongoing.

3.18 Notwithstanding this and dependent on the financial model being adopted, there is a likelihood that the Council could achieve an income in excess of £300,000 per annum from 2017.

3.19 Next Stages:

- Collect as much detailed information on requirements from each member of the SDH group
- Gather financial information
- Undertake necessary consultations
- Engage with staff and other key stakeholders
- Develop options appraisal including likely costs
- Bring together Detailed Business Case for consideration and next timeline

4. Reasons for Recommendation

- 4.1 This will enable effective decision making to the point where wider Member consideration is required.

5. Consultation

- 5.1 None at this stage however the Library Service will have to consult if they are to relocate. This is scheduled to happen between now and the end of March 2016.

6. References to Corporate Plan

- 6.1 Economic Development – Consider how Council assets can be utilised to promote sustainable development in the Borough
- 6.2 Economic Development – Develop Conditions for job creation and help people back into work
- 6.3 Transformation – Explore alternative methods of service delivery, including shared services and outsourcing
- 6.4 Transformation – Provide more modern and effective customer services
- 6.5 Transformation – Develop new ways of working for the Council, improving service delivery and reducing costs and unnecessary bureaucracy.

7. Implications

Financial Implications

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- 7.1 The co-location of other public services will allow the costs of the Town Hall to be spread over more organisations, reducing the cost to the Council. Savings of over £300k could be achieved.

Legal Implications

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- 7.4 Legal Services are available to provide advice and assistance once further detail is forthcoming on the proposed business case, including advice on any proposed leases, licences or contract procurement requirements.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

7.5 There are a number of high level risks associated to the development of the hub, some of which are outside the control of the Council as they rely on other organisations.

8. **Background Papers** (include their location and identify whether any are exempt or protected by copyright).

8.1 None

9. **Appendices to this report**

- None

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