

DOCUMENT CENTRE REVIEW
(Report by the Overview and Scrutiny Panel (Economic Well-Being))

1. INTRODUCTION

- 1.1 On 3rd November 2011, the Overview and Scrutiny Panel (Economic Well-Being) established a Working Group to review the costs of the District Council's Document Centre and to form a view on its efficiency and cost effectiveness. Councillors G J Bull, S Greenall, R B Howe, A MacKender-Lawrence, T V Rogers, and A H Williams were appointed to the Working Group.
- 1.2 For the purposes of undertaking the review and to establish a trial methodology for future reviews, the Working Group agreed to form two teams to investigate:-
- ❖ the financial costs of the service; and
 - ❖ the operation of the service.
- 1.3 This report contains a summary of the work carried out and the Panel's subsequent findings and recommendations

2. THE DOCUMENT CENTRE

- 2.1 The Document Centre was established in 2007 as part of the review of the Council's Headquarters and other accommodation. Its main roles are:
- ❖ Production and Procurement of printed matter;
 - ❖ Cheque Management;
 - ❖ Design and artwork;
 - ❖ Bulk despatches of mail;
 - ❖ Multi-Functional Devices;
 - ❖ Receipt, sorting, scanning and distribution of incoming post;
 - ❖ Preparation and despatch of outgoing post;
 - ❖ Courier service;
 - ❖ Procurement & provision of postal services; and
 - ❖ Generating external income.
- 2.2 The Financial Position of the Centre as at December 2011 is set out below:
- | | |
|-----------------------------------|-------|
| • Original Budget | £605k |
| • Latest Budget (2011/12) | £487k |
| • Savings Achieved Early | £14k |
| • External Income (to date 11/12) | £16k |
- 2.3 The current number of Full Time Equivalent (FTE) Staff is 12.08. This represents a reduction of 0.73 FTE since 2007.
- 2.4 An update financial summary of revenue expenditure is attached at Appendix A.
- 2.5 The Centre has a target to achieve £75,000 in efficiency savings by 2015/16 and is currently ahead of target.

3. INVESTIGATIONS

3.1 To assist them with their investigations, the Working Group has met with:-

- ❖ Mr A Lusha, Document Centre Manager;
- ❖ Mrs L Jablonska, Central Services Manager;
- ❖ Mr Colin Meadowcroft, Head of Legal & Democratic Services;
- ❖ Mr Nigel Green, Principal Accountant;
- ❖ Councillor J D Ablewhite, Executive Leader;
- ❖ Mr C Hall, Head of IMD; and
- ❖ Mrs S Campbell, Document Centre Team Leader.

3.2 The Group has also met with representatives from the One Leisure Service and the Planning Division. A tour of the Document Centre and its facilities has been undertaken. The Panel is grateful to the staff for being open and accommodating and assisting them with their work.

4. SUMMARY OF FINDINGS

4.1 Overall, the Panel is very impressed with the way the Document Centre is run and they are of the opinion that it operates effectively and efficiently. They recognise that the cost of running the Centre has been reduced by 10% in the last 3 years, that the level of operation has increased and they are not aware of any capacity issues. The Panel has formed the view that there is scope to improve the financial performance of the Document Centre and a number of options have been considered through which this might be achieved. These are discussed in more detail below. However, in order to achieve this improvement in financial performance, significant levels of investment will be required.

(a) Internal Printing and Design

- ❖ The Panel has recognised that to achieve further efficiency and cost savings, Document Centre facilities need to be used more by Council departments. The Centre is a more cost effective way of completing design and print jobs and all departments ought to be compelled to use their facilities for their design and printing requirements wherever possible. The Panel has noted that there are a number of departments within the Council who were not fully utilising the Document Centre's facilities. Whilst there is already a Corporate Policy, the Panel is of the view **that there is a need to establish a corporate mandate for all officers to use the services provided, as opposed to using MFDs and other commercial agencies.** The use of commercial agencies is something that will be referred to later. Greater use of the design service will ensure that the Council's corporate branding is consistently employed.
- ❖ It was evident that a number of individuals are making tens of thousands of copies on their MFD's which is not cost or time effective. **The Panel has concluded that the number of Multi-Functional Devices per floor in Pathfinder House should be reduced to encourage more use of the Document Centre service.**
- ❖ From their discussions with representatives from the One Leisure Service it has been apparent that the Service is not aware of the Document Centre's capabilities and the Panel has asked the Document Centre Manager to meet with One Leisure representatives to discuss their printing requirements. In a similar light it was suggested that the Document Centre Manager should contact the NHS occupants of the Civic Suite to ascertain whether they might make use of any of the services provided by the Document Centre. However

the Panel has subsequently been made aware that there may be issues with patient confidentiality. **More generally, the Panel is of the opinion that the Document Centre needs to clarify and advertise the services it can provide to internal users and that Council officers need to be educated on the use and cost of using ink colours in their printing requirements.**

- ❖ The Working Group has queried why the GIS department are in possession of their own wide format printer and whether this is cost effective.
- ❖ In terms of the preferred list of suppliers who are invited to undertake specialist printing work for the District Council, the Panel has expressed concern that this might not be the most cost effective way to select an external supplier. **The list of suppliers should be subject to a rigorous procurement process.**
- ❖ **It is recommended that an investigation be undertaken to establish what marketing material is despatched from other services to establish whether higher quantities can be pooled together for printing at a lower rate.**

(b) Post, Mail Handling & Scanning

- ❖ The Panel is content that overall the mail handling facility is working well and provides a cost effective service. **However Members are of the view that the existing arrangements for issuing Councillors' Mail should be reviewed.** For example Members have commented that a number of the letters they currently receive could be issued by email and that they often receive more than one individual posting on the same day.
- ❖ The Panel has noted that there were only 6 departments currently involved within the Electronic Document Management project. It is not as far advanced within the District Council as might be expected and a significant number of licences are still available. (Annex A EDM Service Status Update provides further information). **The Panel is of the opinion that the progress of EDM should be the subject of a separate investigation.**
- ❖ The Panel has identified a potential issue which might hinder the roll out of EDM. MFD's cannot scan into Anite. At the time the MFD's were purchased this was not an option due to incompatibility issues. An update to Anite has since made this possible, however this option was not pursued due to MFD limitations e.g. there are no screens for checking scanned images. This would have an impact on the high degree of checking and verifying scanned images against original documents carried out as part of the strict control measures identified in Document Centre protocols.
- ❖ The Panel has also noted that the Leisure Centres still have their own franking machines and that this was not a cost effective way of distributing mail. **Members are of the opinion that this could form part of the review of the postal arrangements referred to previously.**

(c) External Printing / Business Development

- ❖ The Panel has formed the opinion that the Document Centre has the capacity to develop significantly its financial performance. This is discussed further in the following bullet points. For example the printers only operate during normal working hours and there is considerable scope to undertake out of hours work. **To do this, the Council needs to determine whether it has the**

appetite to undertake significant levels of investment to develop the service. The Council could provide a printing service to other public sector organisations, including other public sector authorities, charities, schools and voluntary organisations. In this respect, Members have noted the progress which has already been made in negotiations with Cambridge City Council to provide their printing services. They are optimistic that an agreement will be reached soon which will provide additional income for the Service.

- ❖ The Panel has recognised that if it is to adopt this approach then the Council would need to produce a marketing plan for the service and to market it more proactively, though it is acknowledged that there is some scope to expand the service within existing resources. The service would also need to benchmark its costs against the commercial sector to determine its pricing strategy. The Centre will require its own Business Plan to establish a Strategic Long Term Vision for the service which will require the procurement of external commercial business development expertise.
- ❖ To this end certain members of the Group are willing to assist Management with the development of the Business Plan.
- ❖ The Panel has recognised that assistance would be required to oversee such a programme and have suggested that the Council should establish a Management Board for this purpose. Given the current staffing arrangements, this proposal will also require additional resources to generate and follow-up sales opportunities. The Panel has suggested that this will require a dedicated sales and marketing manager.
- ❖ In respect of the One Leisure Service, the Panel has noted that 80% of their printing requirements are for litho printing and **has suggested that the Council should give consideration to the purchase of a Litho printer to enable the Document Centre to handle more of their workload.** It would also expand the range of services that the Document Centre is able to offer to other services.
- ❖ **The Panel has suggested that there may be some merit in nominating a councillor 'champion' for the Centre** and Councillor A H Williams has volunteered for this purpose.

RECOMMENDATIONS

The Cabinet is

RECOMMENDED to

- (a) **request the Managing Director to issue a corporate mandate to all officers to use the services provided by the Document Centre, as opposed to using MFDs and other commercial agencies;**
- (b) **request the Assistant Director (Finance & Resources) to examine the case for reducing the number of Multi-Functional Devices per floor in Pathfinder House;**
- (c) **request the Document Centre Manager to clarify and advertise the services the Document Centre can provide to internal users and provide further education to Council officers on the use and cost of using ink colours in their printing requirements;**

Appendix A

Document Centre - Revenue Expenditure History

	Actual 2008/09	Actual 2009/10	Actual 2010/11	Actual 2011/12	Forecast 2012/13
	£000s	£000s	£000s	£000s	£000s
Employees (Pay NI Pension)	309	323	331	318	326
Transport	3	3	4	3	4
Supplies & Services - Maintenance	121	134	87	86	90
Supplies & Services - Materials	33	39	35	32	37
Supplies & Services - Subcontractors	78	70	31	32	36
Supplies & Services - Copyright					
Licence	3	3	3	3	3
Supplies & Services – Other	15	12	6	12	5
Income from External Work	(2)	(13)	(6)	(34)	(27)
Total Controllable Cost	560	571	491	452	474
Depreciation	73	51	52	64	78
Support Costs	125	113	127	142	129
Total Full Cost	758	735	670	658	681