

Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
14 September 2022

Portfolio Update: Economic Development & Transformation

Portfolio Economic Development & Transformation
Strategic Director/Head of Service: Louise Livingston, Head of HR, Performance & Communications
Nick Steevens, Strategic Director: Environment & Community
Report Author: As above
Key Decision: No
Wards Affected: All

Summary and purpose

To consider a progress report on the Economic Development & Transformation Portfolio

Recommendation

The Performance and Finance Scrutiny Committee is requested to consider and comment on the update on work areas contained within the Economic Development & Transformation Portfolio.

1. Background and Supporting Information

- 1.1 The Economic Development & Transformation Portfolio comprises the following service areas: Asset Management, Car Parking, Corporate Property, Data Protection & Freedom of Information, Economic Development, ICT & Digital and Service Transformation.
- 1.1 This is the first Portfolio update report presented to the Performance and Finance Scrutiny Committee since the change in Executive Arrangements which took effect following Full Council on the 11th May 2022. This report provides an update on the Economic Development & Transformation service areas over the last 12 months.

2 Asset Management

- 2.1 The Asset Management Contract for The Square is currently held by Montagu Evans who provide both Asset Management and Property Management Services. The contract is being retendered by SHBC via a Public procurement process, launched on 26th August. The successful bidder should be in post by Spring 2023.
- 2.2 Covid 19 gave the opportunity for a number of meanwhile uses at the Square to ensure void space was occupied. This included Squish (Theatre), the pop up charity shop and the Independent Campaign which ran last year; all of which gave opportunity to local businesses and helped maintain footfall. The Workshop, a

partnership between Surrey Heath and the Department for Work and Pensions (DWP) provides a specialist employment support hub aimed at supporting young people age 18-24. The hub has recently moved from Grace Reynolds Walk to Prince of Wales Walk. The Workshop also joins up with local business partners, including Accent Housing Association who have recently developed an Apprenticeship programme launching this September.

- 2.3 In July 2022, Surrey Heath Community Providers took occupation of 36-40 Obelisk Way and will operate the property as an NHS Vaccination Centre in order to roll out the Autumn Covid 19 booster campaign.
- 2.4 The Investment & Development service is currently considering the future retail strategy of the Square to improve tenant mix, react to market trends and continue to support local businesses and independents. The Pop up Campaign will also be relaunching this Autumn in time for the Christmas trading period.
- 2.5 There are a number of new lettings being negotiated as we see signs of the market recovering post 2020/21 pandemic lockdowns. The Square footfall system for July 2022 compared to July 2021 recorded an increase of +8.5% indicating average traffic of 19,167 compared to average traffic of 17,659 12 months prior.
- 2.6 In order to ensure we continue to engage with different audiences and encourage footfall across age and geographical demographics, CACI Limited carried out independent market research in the Spring to analyse current shopping behaviour and allow insight into comparing similar benchmark centres. This data will help to feed into future strategy, and assist in leasing and marketing efforts. The Superhero campaign proved popular over the school holidays and there is a full programme of events planned for the Autumn/Winter seasons.
- 2.7 Investment and Development continue to work in partnership with other internal teams at the Council on Town Centre engagement projects including the Theatre, Communications Team, Licensing, the Climate Change Officer, and the Parking Team. The collaborative work includes assisting on Street Trading Policy review, London Environmental & Sustainability initiatives, Review of Delivery drivers. The service continues to develop relationships with other stakeholders within Camberley.

3. Car Parking

- 3.1 Parking Services continues to be managed by the Parking Services Manager who has a dual role and also manages the on-street enforcement on behalf of Woking Borough Council.
- 3.2 The Car Parks Team has increased from 4.5 FTE to 5.5 FTE, however, 1.5 posts are currently vacant and are being advertised at present. The car park team manage Camberley's two multi-story car parks and the seven pay and display car parks across the borough and other free car parks across the borough. The vacant posts have put a strain on the car park team, especially during August when staff have been on leave.
- 3.3 The Parking Review was approved in February 2022 and saw the parking fees increase in April 2022, with parking fees introduced in Wharf Road car park, Frimley Green. Charges in this car park started in mid June 2022. The Parking Review proposed an increase in revenue across our car parks. The table below compares the proposed increase in income and the actual income received for each car park for the first full 3 months of charges and the first 4 months for season tickets, with

comparisons to previous years, excluding FY 20/21 which was distorted by the pandemic.

| Car Parks Fees | 1/5/19 - 31/7/19 | 1/5/21 - 31/7/21 | 1/5/22 - 31/7/22 | Parking Review | Performance against Parking Review |
|--------------------|------------------|------------------|------------------|-----------------|------------------------------------|
| Main Square | £343,110 | £281,746 | £369,862 | £277,046 | £92,816 |
| Knoll Road | £57,875 | £23,573 | £57,372 | £35,657 | £21,715 |
| Bagshot | £2,241 | £1,780 | £4,472 | £5,053 | -£581 |
| Chobham | £2,685 | £1,086 | £6,527 | £7,535 | -£1,008 |
| Burrell Road | £1,449 | £1,093 | £1,281 | £4,599 | -£3,318 |
| Watchetts Road | £435 | £398 | £972 | £1,766 | -£794 |
| Yorktown | £2,929 | £2,846 | £1,241 | £3,419 | -£2,178 |
| Surrey Heath House | £974 | £2,960 | £1,538 | £1,562 | -£24 |
| Wharf Road * | | | £362 | £480 | -£118 |
| Totals | £411,698 | £315,482 | £443,627 | £359,078 | £84,549 |

| Car Parks Season Tickets | 1/4/19 - 31/7/19 | 1/4/21 - 31/7/21 | 1/4/22 - 31/7/22 | Parking Review | Performance against Parking Review |
|--------------------------|------------------|------------------|------------------|----------------|------------------------------------|
| Main Square Car Park | £4,753 | £6,451 | £14,659 | £8,712 | £5,947 |
| Knoll Road Car Park | £139,640 | £40,816 | £49,165 | £45,446 | £3,719 |
| Bagshot Car Park | £3,423 | £673 | £1,965 | £413 | £1,552 |
| Burrell Road Car Park | £6,543 | £4,518 | £5,644 | £2,733 | £2,911 |
| Chobham Car Park | £904 | £297 | £635 | £105 | £530 |
| Watchetts Road Car Park | £857 | £693 | £3,001 | £1,207 | £1,794 |
| Yorktown Car Park | £13,742 | £336 | £161 | £1,102 | -£941 |
| Wharf Road Car Park * | nil | nil | £0 | £792 | -£792 |
| Totals | £169,863 | £53,784 | £75,230 | £59,718 | £15,512 |

*Wharf Road charges started 22 June 2022

- 3.4 Burrell Road and Watchetts Road car parks have seen a change in use from daily fee paying customers to season ticket holders. However, Yorktown car park has seen a significant decline in use as a significant number of customers and permits holders operated from BasePoint serviced offices. With flexible working these businesses do not need to use Yorktown car park as much.
- 3.5 Cashless parking is now available on all our car parks. The Glide parking app works in our multi-storey car parks and RingGo parking app works in our pay and display car parks. The use of Glide has remained constant at approximately 6% of sales. RingGo has only been in place since May 2022 and its use is increasing.
- 3.6 Parking Services have started the procurement process to replace the car park control and management system in our multi-storey car parks. The current system called Fusion is due to be replaced in June 2024. It is expected that the tender will be issued in Dec 22/Jan 23, submissions due in Jun/Jul 23 and the contract awarded in Dec 23/24. A principle aim is to reduce the number of payments by cash. It is

expected that the new system will cost circa £300,000.

- 3.7 Surrey County Council (The County) have announced their intention to manage all on-street parking operations across Surrey from 1 April 2023. The County transferred on-street parking operations in Surrey Heath to Woking Borough Council in November 2018. Surrey County Council are now intending to publish a tender on the Crown Commercial Services' Transport, Technology and Associated Services framework this month and are in the process of developing the business case and project plan which will be circulated to Borough Councils later in the calendar year. This could have an effect on how on-street enforcement is carried out in Surrey Heath.

4 Corporate Property

- 4.1 The Corporate Property element of the Economic Development & Transformation Portfolio provides an intentional overlap with the Property Acquisition & Disposal and Regeneration responsibilities held under the Portfolio for the Leader of Surrey Heath Borough Council. Due to the close relationship between these areas it is intended to provide an update on Corporate Property to the:
- November 2022 Performance and Finance Scrutiny Committee as part of the Half-year Performance Report, or;
 - July 2023 Performance and Finance Scrutiny Committee as part of the Annual Performance Report

5 Data Protection and Freedom of Information

| | 2019/20 | 2020/21 | 2021/22 |
|---|---------|---------|---------|
| Total FOI/EIR received | 726 | 630 | 616 |
| Responded to within timeframe | 95% | 91% | 96% |
| Total Individual Rights / SAR's received | 45 | 42 | 63 |
| Responded to within timeframe | 84% | 97% | 98% |

| Information Commissioner's Office (ICO) contact 2021/22 | |
|--|-------|
| | Total |
| FOI/EIR Complaints | 2 |
| Data Protection Breaches | 2 |

- 5.1 Councils have 20 working days in which to respond to Freedom of Information/Environmental Information Regulations (FOI/EIR) requests. The FOI Office centrally coordinates all requests, applying to applicable Council departments to source the information in response to each request. In the main departments work well with the FOI office and requests are responded to within the 20 day time frame, however some departments require additional chasing by the FOI office before the requested information is provided resulting in an increase in administration by the FOI office. FOI/EIR's continue to increase in complexity taking longer to source information or apply relevant exemptions to withhold information where it was not appropriate to release it. Of the 616 FOI/EIR requests responded to this year, 11 have gone through to Internal Review. This is where the requestor was not satisfied with the original response provided, mainly when an exemption was applied to withhold the information. All Internal Reviews have been completed and closed.

Examples of FOI/EIR requests by subject area is;

- Planning application/permission internal correspondence
- Business rates data
- Council spend
- Air quality / energy efficiency
- Enforcement/Fixed penalty notice data
- Recovery of unpaid council tax
- Council tax increase and spend data

- 5.2 This year has seen a large increase in Data Protection Individual Rights Requests with 63 requests being received by the Council. Individual Rights requests include; Subject Access (SAR) which is the right to copies of all data held, right to rectification, right to erasure and the right to restrict processing. The Council has 1 calendar month in which to respond to Individual Rights requests. The FOI office works closely with departments across the Council to fulfil requests within the timeframe.
- 5.3 There have been 25 Data Breaches reported by staff in 2021/22. For each breach a full investigation took place in accordance with the Councils Data Protections Breaches Policy ensuring where possible the breach was mitigated and lessons were learnt. The vast majority of breaches were deemed low risk, however 2 breaches were reported up to the Information Commissioners Office (ICO) by the Council due to the risk of potential adverse effect to the data subject being higher. The ICO have completed their investigation for both of the breaches and are satisfied with the Councils handling of the breaches and confirmed that no further actions will be taken by them.
- Main themes for data breaches include:
- Personal information insecurely/inappropriately processed by staff
 - Personal information shared/emailed inappropriately outside of the Council
 - Incorrect use of IT
 - Personal information uploaded to website in error
 - Incorrect management of passwords by staff
- 5.4 A review of the Information Security Policy, Data Protection Breaches Policy, Records Management Policy and Email Guidance has been undertaken in line with Data Protection legislation.
- 5.5 A new Information Security annual certification e-learning programme has been issued to all staff with over 98% of staff completion. Learning & Development are actively monitoring, and working with Heads of Service to chase the last few staff to complete the training. Data Protection Training is also part of the mandatory training for all new staff members.
- 5.6 The Data Security and Protection Toolkit which allows organisations to measure their performance against the National Data Guardians 10 data security standards, providing assurance that we are practising good data security and that personal information is handled correctly has been complete and the Council have met all standards applicable to Local Authorities

6 Economic Development

- 6.1 Additional restrictions grants were extended by the government and the team delivered grants until the end of March providing support for 1000 businesses through delivering Additional Restrictions Grants, once again taking up 90% of the teams time during this

period.

- 6.2 The Kevin Cantlon Shop front scheme has supported 3 shop fronts this year so far. The Surrey Chambers Start Up academy supported a further 20 people in its second year.
- 6.3 Enterprise South hosted their Directors Dinner in the Borough again in April, making use of the wonderful facilities at Penny Hill Park.
- 6.4 The welcome Back fund concluded in March this year. The funding contributed towards a second Mural in Sparvel Way, an additional 3 months of Squish in the Square, lighting at the park street entrance to Obelisk Way and the Summer of fun Campaign.
- 6.5 Building on the success of the Youth Hub project, The Workshop in partnership with the DWP, a second years funding was secured for £97,000 to cover the costs of staffing the project for a further 12 months. The Workshop has also moved location to a unit in the Square which has 2 rooms on the ground floor, this has enabled the team, with support of ICT to set up a computer room so that users of the hub can directly access the internet to search for jobs, complete applications and work on improving their ICT skills.
- 6.6 An application was made to secure the UK Shared Prosperity Fund for year one, with details provided in the application to secure years 2 and 3 funding with the flexibility to still decide on projects to be delivered.
- 6.7 In the next 12 months the Economic Development team will be focusing on:
 - i. The Indies, the Surrey Heath Independent Network launches on the 12th September and will encourage independent businesses throughout the Borough to get together and allow for the council to better understand their needs. These meets will be held quarterly around the Borough.
 - ii. The third tranche of the Start Up academy with the Surrey Chambers will launch in September enabling more startups and potential new businesses to gain skills needed for starting a successful business
 - iii. Business support events will return supported by the Surrey Chambers of Commerce and Business South.
 - iv. The Surrey Heath business Awards will return in March, with nominations opening in December.
- 6.8 The Economic Development team has one current vacancy for an Economic Development Officer with the Managers post also becoming vacant in September 2022. The teams apprentice also completes their course in September, however this post has been successfully filled with a new apprentice starting in September supporting the wider Investment and Development Team. The Youth Hub project is now fully staffed with all three roles secure until June 2023.
- 6.9 The annual State of the Borough data provided by the Office of National Statistics is not scheduled to be released until October 2022.

7 ICT and Digital

- 7.1 The period from 2021 to current time in 2022 has been another busy year for the ICT team. The team has been consolidating on the technology agenda that we have set

ourselves, implementing new cloud services and platforms to deploy our technology from, implementing new corporate systems, dealt with nearly 6000 service desk tickets, and recruited replacement members of staff to the team.

- 7.2 At the request of the Governance Working Group we were tasked with upgrading the audio visual system and broadcasting capabilities in the council chamber to accommodate broadcasting of Council meetings with a fuller 'in-person' attendance as a result of lockdown ending. We ran a tender early in 2021 and appointed VP-AV (specialist installers of broadcasting equipment to councils and magistrates' courts) to provide us with a turnkey and fully supported solution.
- 7.3 ICT have replaced the old intranet for a modern 'Employee Engagement Platform'.. This is available to staff via web browsers and a convenient mobile app and provides a superb forum for staff news and 'spaces' for teams to provide information on updates to staff. HR, Finance, ICT, Learning and Development etc have well populated pages with news, information, events, learning opportunities and e-forms etc.
- 7.4 A major project that we have been working towards is to consolidate some of our cloud services on the Microsoft Azure platform. Azure provides us with the opportunity to deliver applications to staff using the cloud-based Azure Virtual Desktop system. Whilst our technology agenda over the last five or six years has been to migrate as many corporate systems as possible to cloud services, a couple of what are styled as 'legacy' systems designed to be operated from an 'on-premise' server room in the traditional style remain. Idox Uniform consists of ten servers and is one of our major business platforms for development control, licensing, land charges and enforcement etc and the Xpress electoral system consists of two servers. Both are legacy platforms with no option to move to 'true' cloud services presently. We planned and undertook a major upgrade to Uniform and moved all the servers to Azure. We have also done this with the elections servers. The net result of this is that staff who use these systems can now access them remotely, via a laptop. Whilst there are additional costs to operating servers in the Azure environment a lot of these are offset through decommissioning our position with our previous infrastructure partner, Proact.
- 7.5 We applied for and were awarded a £75,000 grant for cybersecurity improvements by the Department for Levelling Up, Housing and Communities. Our security posture is already excellent as we operate a principle of spreading our risk far and wide amongst globally recognised software vendors, so unlike most authorities we do not have a 'single point of attack.' We are looking to spend circa £55,000 on a logging platform with a 3-year license and implementation included. We were able to leverage the Logging Made Easy (LME) pilot to challenge on price and have received a very competitive quote from Logpoint who are a Security Information and Event Management (SIEM). SIEMs are platforms which help organisations recognise potential security threats and vulnerabilities before they have the ability to disrupt the organisation's business.
- 7.6 In addition to the cybersecurity product that we will be implementing we have been working with NTA consultants on our annual Public Sector Network penetration and security check which is a mandatory compliance process for the Council.
- 7.7 Working closely with the HR team, ICT managed the market review, procurement, and implementation of our new iTrent system for payroll and HR management supplied to us by MHR. This system is a cloud-based platform and the old on-premise servers which used to run our payroll system have been decommissioned and switched off. This has improved efficiency by digitalising processes such as holiday, sickness

absence, expense claims etc. We will shortly be implementing iTrent People Analytics. This will provide senior management with actionable insight into our current staff establishment to monitor things like the actual cost to the organisation of staff taking sick leave.

- 7.8 Agile working continues to move forward and is supported by the ICT team, we have led on this area supporting it with our technology agenda and equipment provision. To date we have deployed 218 laptops to staff and in nearly all cases removed the old PC from those staff members (our PC estate now numbers just 63). Through the provision of mobile equipment and other services such as cloud-based telephony and cloud software platforms we have enabled most staff to operate easily from home or from the office. A direct result of this has been the reduction in the amount of space needed for officers to operate in and the complete clearance of the remaining half of the 2nd floor north wing which is now available to let to the police.
- 7.9 As a result of our laptop deployment and sustainability agenda we are refurbishing old PCs for charitable use. The PCs are cleaned, disk wiped with a new OEM Windows license installed and open-source Office software installed. Over 100 PCs were distributed during the COVID emergency and in 2022 we have delivered 12 PCs for use in the Workshop, to Afghan and Ukrainian refugees and to the Special Ears charity.
- 7.10 Plans are afoot to rebuild our websites. A capital bid for funds to cover the website rebuilds (main SHBC website, theatre and building control websites) was successful however as part of the new arrangements with Annertech a code audit has been performed on each website and whilst we have funds available for the main website and building control websites, the theatre website rebuild will be subject to a further capital bid in the next round. Our current websites are built on a content management system (CMS) called Drupal and are currently running on Drupal 7.0. This is desupported in November 2023 so it is vital the underlying system is converted to Drupal 9.0. Unfortunately, the move from Drupal 7.0 to Drupal 9.0 is no light undertaking, essentially necessitating a complete rebuild. To reduce costs, we are joining the Local Gov Drupal project. This project is currently central government funded and over 30 councils are now with the project. The Communications & Engagement team are joint partner in this project who will look at branding, content migration, and user experience through a series of stakeholder discover sessions to inform the new website design and build.
- 7.11 A major contract renewal with Box has been undertaken to provide us with an additional three years of use of their content and collaboration platform, despite price increases. The platform is extremely successful with nearly 400 logins per day and has essentially replaced our old Windows network for file storage. It does, however, provide lots of additional functionality and workflow integrations with other systems. Via Box, all staff now have access to Box Sign, an e-signature platform. Another integration with Box is the new e-forms platform we have implemented, Jotform. Jotform provides electronic forms for both members of public to use and for internal use.
- 7.12 We are in early discussions with providers to replace the old door access system across the building. Capital budget has been approved for this as our current system is more than 25 years old and difficult to maintain and acquire parts for. The new platform will be cloud based for ease of management and will hopefully incorporate mobile phone access through locked doors.

- 7.13 ICT have a project underway assessing IT provision for councillors, and we are currently revisiting Code of Practice for Members as this is centred around the existing iPad provision. A capital bid for the equipment costs will be required. We will also be working with Information Governance, Democratic Services and will be involving our Portfolio Holder with this project.
- 7.14 As a result of our laptop roll out we will shortly be in a position to decommission Mirage, the system used to manage our PCs. Mirage is the only system remaining on Filer, our old networked attached storage (the hardware where our old virtual servers and Windows network drives were stored). This hardware is end-of-life and currently we are paying for expensive 'break-fix' support for it to cover disk failures. Filer will be decommissioned and physically removed from the server room shortly.
- 7.15 When Filer is decommissioned, we will be looking to consolidate what equipment is left in our server room down from 4 to 2 server racks and physically reduce the size of the server room by approximately a half which will reduce our air conditioning costs and power consumption.
- 7.16 During the Q4 period we will oversee and provide assistance to Finance team where appropriate to implement the new Civica Cash Management system. This will replace the current Icon Bank Reconciliation system and will result in the removal of two additional remaining on-premise servers as the new system is hosted by Civica and is part of their Civica Financials Live offer.
- 7.17 Our existing telephony contract ends in August 2023. A project is underway to explore options. We've recently involved Virtual Contact Centre stakeholders and have had early informal discussions with providers. We will be reviewing the call plan provider in addition to the tools we use for integrated telephony to ensure they are suitable moving forward.

8 Service Transformation

- 8.1 Service Transformation is currently being delivered through the Star Chamber process in services across the Council. The process allowed officers to bring forward initiatives to generate potential efficiencies, savings, and income generation with members.
- 8.2 The outcome of the Star Chamber process was presented to the June Executive where close to £1.2m of efficiencies and income generation initiatives were debated.
- 8.3 The £660,000 of Star Chamber savings identified for this year will enable the Council to meet its budget targets for 2022/23 as set out in the Council's Medium Term Financial Strategy (MTFS), as well as ensuring the Council continues to pursue the policy agreed with members that rather than cutting services, the Council should deliver efficiencies and increase income where possible.

Annexes

None

Background Papers

None