



WEST OXFORDSHIRE  
DISTRICT COUNCIL

## WEST OXFORDSHIRE DISTRICT COUNCIL

Name and date of Committee	<b>Cabinet: Wednesday 13 October 2021</b>
Report Number	<b>Agenda Item No. 10</b>
Subject	<b>Options for the future of Witney Town Centre Shop</b>
Wards affected	All
Accountable member	Cllr Jane Doughty – Cabinet Member for Customer Delivery Email: <a href="mailto:jane.doughty@westoxon.gov.uk">jane.doughty@westoxon.gov.uk</a>
Accountable officer	Jon Dearing, Group Manager for Resident Services Tel: 01993 861221; Email: <a href="mailto:jon.dearing@publicagroup.uk">jon.dearing@publicagroup.uk</a>
Summary/Purpose	The purpose of this report is to review the usage on the Town Centre Shop in light of changing customer preferences for receiving Council Services and consider future options.
Annex	<a href="#">Annex A</a> : Witney TCS footfall graph (Jan 2017 to March 2020) <a href="#">Annex B</a> : Witney TCS footfall graph (Weekly Footfall from Dec 2020)
Recommendations	It is recommended that Cabinet:- <ul style="list-style-type: none"><li>(a) Ask officers to work up an interim solution to relocate staff as part of the Agile Working project to the Town Centre Shop pending a longer term review of demand for face to face customer contact points and finalisation of the agile office outcomes;</li><li>(b) Ask officers to utilise the existing office footprint where possible with minimum refurbishment costs until the review is completed.</li></ul>
Corporate priorities	Modern Council Services and Sustainable Finance: Delivering excellent modern services whilst ensuring the financial sustainability of the Council.  A Vibrant District Economy: Securing future economic success through supporting existing local businesses and attracting new businesses to deliver the economic ambitions of the Local Industrial Strategy
Key Decision	No
Exempt	No
Consultees/ Consultation	None

## **I. BACKGROUND**

- 1.1. The Council currently supports three face to face customer access points, all of which are in Witney (Elmfield, Woodgreen, Witney Town Centre Shop). As more customers have chosen to access services both remotely and digitally, the footfall at face to face access points has declined significantly. In light of this decline in customer demand, this report provides options for the future use of the Town Centre Shop both for Council Services or other uses; so that the Council can better meet the needs of its customers.
- 1.2. The Town Centre Shop (TCS) has been located in Welch Way since 2003. Initially it was primarily a payments office and central cashiering function and associated customer contact centre. As demand for direct customer service contact and cash payments have shifted gradually from face to face to first phone and subsequently digital the use of the TCS has gradually changed.
- 1.3. In 2007 to counter this progressive underutilisation and provide a more efficient use of space and capital the Council co-located its Witney Visitor Information Centre (VIC) into the TCS.
- 1.4. This co-location initially proved very successful until more recently when the VIC sector also saw a shift from face to face activity to digital marketing and delivery. As part of the VIC review last year a decision was taken to close face to face VIC provision across the District with investment shifted to digital marketing services.
- 1.5. During the main phases of the Covid pandemic, in line with the government restrictions, services that could be delivered remotely were done so. Consequently, the TCS, Elmfield and the Woodgreen reception were (except for a short period) closed until 12<sup>th</sup> April 2021, following a year of closure.
- 1.6. Since 12<sup>th</sup> April the TCS has reopened and staffed by the customer service team except for two weeks in July and August when it was utilised (very successfully) as a walk in vaccination centre.
- 1.7. The upstairs office space at the TCS is currently let and achieves a rental income of £10,300 per annum.

## **2. MAIN POINTS**

- 2.1. As expressed above, prior to the pandemic, we experienced a prolonged and sustained reduction in footfall for both Customer Service functions and Visitor Information at the TCS (as illustrated in Annex A). Visits fell by 70% over the last three years as customers utilised telephone and digital solutions as their main means to access services. This experience was not unique to West Oxfordshire or indeed, local government, and has been a trend in customer contact in many sectors including of course retail.
- 2.2. Looking at the six month period prior to lockdown (i.e. September 2019 to February 2020) we had an average of 815 visits per month to the TCS. The top three reasons for visiting (accounting for 67% of all visits) were:
  - Making a payment at the payment kiosk (42% of visits). It should be noted that, as part of Cabinet's recent decisions, the Payment Kiosk has now been removed,

- Making a request for a new/replacement waste container (16% of visits). This can be done on-line or on the phone and this has been the case during lockdown, and
- Checking Council Tax balance or payment date/amount (9% of visits). Again this can be done on-line or over the phone.

All of these functions are available digitally and by phone.

- 2.3. Since reopening the TCS on 12<sup>th</sup> April 2021 we have received a total of 530 visits (see Annex B); which means that the average number of visits per day has, again, fallen to 17.
- 2.4. To enable us to further support our customers whilst the TCS was closed during the pandemic we added questions to our telephone customer satisfaction survey to establish the impact of the closure. A total of 1,183 WODC customers responded to the survey. Of those, 234 (19.7%) customers said that they would normally have come into the TCS with their enquiry; of which 220 (94%) said that they were satisfied with the resolution they experienced over the phone. The other 14 customers had their enquiry/issue resolved over the phone but said that it was simply their preference to interact with the Council face to face. It should also be noted that the WODC Telephone Customer Satisfaction performance is regularly in the top 10 in the Country (averaging around 98.5%).
- 2.5. During lockdown we offered a face to face appointment system for issues that cannot be dealt with remotely; and adapted a meeting room in the Elmfield building to enable safe customer interactions. In the nine month period that this was available we had no requests for this service.
- 2.6. It is worth noting that face to face enquiry services are more expensive than other access channels to support given uneven customer numbers. Based on our own data over the six months prior to the first lockdown (i.e. September 2019 to February 2020) the costs were:
  - £7.67 per face to face enquiry,
  - £1.76 per telephone enquiry,
  - £0.88 per Live Chat, and
  - Negligible cost per Web enquiry.
- 2.7. On the basis of the above it is clear that face to face is significantly the highest cost delivery channel for the Council and does not seem to attract a high level of demand. As a consequence officers have been exploring alternate use of the space at the Town Centre Shop and the main options are set out in section 3 below.
- 2.8. The concept of a Hub supporting multiple public / third sector uses has been explored providing a 'One Stop Shop' for residents. These access points generally host the District, County and Town Councils; the Police; the Job Centre Plus; and voluntary sector organisations such as CAB.  
Currently, none of these organisations in West Oxfordshire have committed to this or displayed particular interest:

- The County Council have expressed an interest but have made no firm commitment and indeed the Library a short distance away provides them with a useful alternative. There is also little evidence around the level of demand for face to face County Council services within the District beyond direct provision such as Libraries and Registrars;
- The Police have declined,
- Job Centre Plus have declined (as they prefer not to be in Town Centres),
- The CAB have declined, as they have much larger offices nearby.
- Abingdon and Witney College have not responded to our contact.

2.9. Looking at other local government approaches to this, the host organisation typically provides quite a large space as the concept is to include as many organisations as possible. If WODC wanted to pursue this approach, the TCS is, in any event, not really a big enough space to accommodate multiple organisations.

2.10. The Communities Team understand that the Methodist Church is exploring this concept with other local partners.

### **3. OPTIONS FOR THE FUTURE USE OF THE TOWN CENTRE SHOP**

3.1. Officers have developed a range of options for Cabinet to consider and these are set out below:

1. Retention of the TCS as a customer contact point;
2. Alternate Council Use;
3. Alternate private sector use ;
4. Dispose of the asset .

#### **Option 1 – Retention as customer contact centre**

3.2. As set out above its use as a customer service centre in its traditional form is not the most efficient use of the asset and indeed those officers being fielded to this contact channel might be better utilised serving another channel such as telephony which remains under pressure and is the preferred form of contact of our service users.

3.3. Should this usage be retained there will be a requirement to provide sufficient staffing cover to enable continuity of service and this will continue to detract from the performance of other customer contact channels such as phone.

#### **Option 2 – Alternate Council Use**

3.4. It is possible that the Council could utilise this space for an alternate use. It could, for example, be used as a marketing and communication space for other Council services such as recycling, climate change or planning and economic development.

3.5. At certain times of change these services could find this space particularly useful although it is debatable whether there is a sufficient continuity of use requirement for such a purpose. There would also be a requirement for an on-site staff presence which would be difficult to deliver without impacting on other aspects of the service provision.

- 3.6. It could also be possible to relocate alternate council services to the TCS such as car parking enforcement as this could provide a useful welfare location for officers although this would mitigate against its use as an exhibition space unless the two uses could be combined.
- 3.7. There also remains the potential to utilise the space as an alternative office to help deliver broader office rationalisation as part of the move to an Agile Office working environment. This could enable an opportunity to release a larger building such as Elmfield for alternative commercial use delivering a greater return. The project to assess revised space requirements should be due to report back shortly with potential opportunities. This option could be interim or permanent and could be done without a full refurbishment of the unit.

### **Option 3 – Alternate Private Sector Use**

- 3.8. If the Council determined it did not have an alternate use of the TCS then it could make this available commercially to the private sector for utilisation either as retail or other usage.
- 3.9. A December 2020 valuation on the premises advises that the ground floor rental is in the order of £45,000 in addition to the current rental being achieved on the first floor.
- 3.10. This represents the best financial option available to the Council by some margin and fits with the approved Council Capital Investment Strategy and investment portfolio.
- 3.11. As an interim measure the marketing of the Town Centre Shop as a retail space could benefit from inclusion in the Oxfordshire Meanwhile project, who are working their way through empty retail properties in town centres, engaging landlords and helping occupy the properties with meanwhile businesses (e.g. pop up shops, community organisations etc).

### **Option 4 – Dispose of TCS**

- 3.12. Should the Council determine that it has no suitable alternative use of the building and does not wish to retain it for commercial letting then it could choose to dispose of the building.

### **Impact on the town centre**

- 3.13. The Council is working on a range of projects to support businesses and encourage footfall in the town. This includes the launch of the LoyalFree app, the Love West Oxfordshire (Be local, think local, shop local) campaign and our work with the Meanwhile in Oxfordshire Project.
- 3.14. If the decision is taken to cease Council operations at the TCS, members need to consider the reputational risk associated with an empty unit in the town centre and its impact on our other work. Many properties remain empty while negotiations take place with potential new tenants. The period from an occupier expressing interest to completion and occupation can take months during which time the property is empty.
- 3.15. The Meanwhile project is working with landlords to occupy town centre properties with 'meanwhile' uses such as pop-up shops, flexible workspace and community uses. This can be short or long term but, in the shortest term case, it can help to keep a

property occupied while negotiations take place with longer term tenants. The Meanwhile team has engaged local businesses and organisations (including hosting a successful webinar to explain the project) to build up a list of hopeful occupants for Witney. There is therefore a possibility that the TCS building could be kept occupied and contributing to the vitality of the town by engaging with the Meanwhile project.

#### 4. FINANCIAL IMPLICATIONS

- 4.1. Continuing as we are currently operating would not change the ongoing cost of delivering the customer contact service.
- 4.2. The cost of alternative council use could require significant additional building changes depending upon the nature of the alternate use. At the extreme the removal of the cashiering area and all associated screens and security features could cost in the order of £80,000. However, there may be usage that requires significantly less alterations.
- 4.3. A Community Hub could change the ongoing cost of delivering the service (if partners contributed) but there would be a one-off remodelling/refurbishing cost of circa £80,000.
- 4.4. If the TCS were let commercially excluding the rent for the first floor (as this is existing income), the total saving/income opportunity of closure and rental would be circa £75,000 per annum.
- 4.6. There are other costs associated with the Councils ongoing use of the Ground Floor only. Based on 2019/20 expenditure, these are:
  - ICT Network Link costs at £3,900 per annum,
  - Business Rates at £19,460 per annum,
  - Utilities at £2,370 per annum, and
  - Maintenance at £4,800 per annum.
- 4.5. A sale could produce a capital receipt which could allow the Council to reduce its borrowing requirement for other activities saving principal and interest repayments. However a sale would run contrary to the Councils investment strategy which seeks additional investment opportunities to support Council priorities and assist closing the revenue budget gap identified in the Medium Term Financial Strategy.

#### Summary of Options

Option	Revenue Impact	Capital Impact	Achievability
1 Retain current use	Nil	Nil	High
2 Alternate council use	Nil	Up to £80,000	High
3 Private Sector Use	Savings up to £75,000 per annum – lesser if short term Meanwhile letting	Dependent upon lease arrangements. Potential cost to improve EPC ratings prior to letting	Medium
4 Disposal	Savings at least £30,000 per annum	Capital Receipt circa £500,000	High

## **5. LEGAL IMPLICATIONS**

- 5.1. There are no legal implications associated with these recommendations.

## **6. RISK ASSESSMENT**

- 6.1. There is a reputational risk associated with any change to face to face service delivery. A public consultation exercise could mitigate this risk; however, the footfall data clearly demonstrates that residents' use of the service in continual decline.
- 6.2. There is a reputational risk associated with the Council being responsible for an empty unit in the town centre which detracts from the vitality of the town.

## **7. EQUALITIES IMPACT**

- 7.1. There is no equalities impact. All services will remain accessible through various channels, including face to face at the Woodgreen Offices; and the Customer Services Team, where it is necessary, will continue to offer home visits using our client support officers.

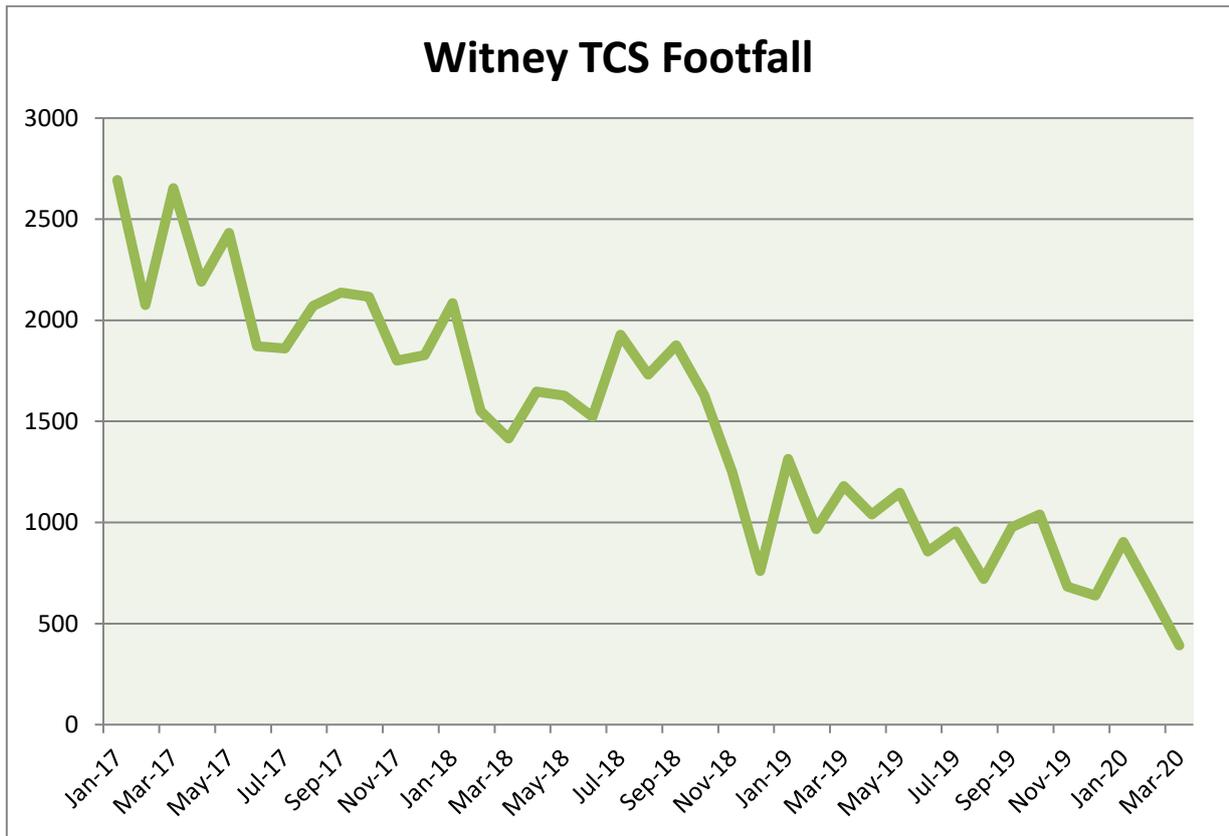
## **8. CLIMATE CHANGE IMPLICATIONS**

- 8.1. Any potential letting is likely to require additional energy improvement works to comply with the Minimum Energy Efficiency Standards. These can be investigated should Cabinet indicate that is one of the routes to explore.

## **9. ALTERNATIVE OPTIONS**

- 9.1. The options have been detailed within the body of the report.

**Annex A**



**Annex B**

