

Confident, Capable Council Scrutiny Panel

Report title	Digital Print Progress Report	
Cabinet member with lead responsibility	Councillor Louise Miles Cabinet Member Resources	
Wards affected	All	
Accountable director	Andy Moran – Commercial Director - Place	
Originating service	ICT	
Accountable employee(s)	Gail Rider	Head of ICT 01902 553496 Gail.rider@wolverhampton.gov.uk
Report to be/has been considered by	Place Leadership Team Andy Moran Commercial Director - Place	

Recommendation (s) for action or decision:

The Scrutiny Panel is recommended to:

1. Review the progress of the Digital Print Solutions (DPS) unit and provide feedback and comments on the information provided within this report.
2. The scrutiny panel are asked to consider support recommendations, where in agreement.

Recommendations:

The Scrutiny Panel is asked to note:

1. The progress of the DPS journey in the provision of a more comprehensive and modernised printing service.
2. Understand the challenges and opportunities for the DPS service provision.

1.0 Purpose

- 1.1 A request from the scrutiny panel for an update on the in-house printing service provision, (DPS), has been received and acknowledged.
- 1.2 This report provides an overview of the DPS journey since the decision was made at the Cabinet (Resources) Panel on the 28 March 2017, which endorsed the modernisation and restructuring of the Council's in-house printing service.

2.0 Background

- 2.1 In March 2017 a paper was presented to the Cabinet (Resources) Panel on the future of the in-house printing service, a variety of recommendations formed part of this report.
- 2.2 It was agreed that the printing service be provided in-house for a further three-years, with the service being reviewed after this period (March 2020). The report suggested that printing requirements would gradually reduce over time linked to the digital transformation of Council Services, therefore in years two and three this would lead to a reduction in costs.
- 2.3 New equipment was to be purchased subject to a competitive tender process using a Crown Commercial Services framework.
- 2.4 Staff numbers would be reduced by 1.5 FTE in year one, followed by further reductions in years two and three.
- 2.5 The report also suggested that income from third parties would assist in budget management and where work was requested from third parties, that they would pay enhanced charges, thus eliminating the risk of under recovery.

3.0 Progress

- 3.1 The service has remained in-house and is in year two of operation. Although it was anticipated that printing requirements overall would decrease over time, requirements have increased. This increase is due to the diverse and excellent standard of printing opportunities now available. The increase is not related to standard printing, such as committee reports and payslips, but in the provision of additional printing opportunities, such as vehicle wrapping, labels, flyers, banners and similar. The move away from "standard typical" printing has been noticeable.
- 3.2 Investment in new equipment has enhanced the range of printing options available. A broad range of products can now be produced to an extremely high standard. Work to date has included all signage for the new waste vehicles, labels for the garden waste service, booklets and leaflets for a variety of services including schools, large banners which are regularly in situ at the front of the Civic Building, and a wide variety of banners for celebration events. These have been produced alongside standard day to day

requirements. DPS have been able to complete additional requirements as the new equipment produces a higher standard of output and works at double the speed of previous machinery, plus standard printing output has reduced.

- 3.3 Staff numbers were reduced in year by 2 FTE's which was 0.5 FTE more than expected. In year two, further staff were due to be released, however due to demand this has not been achievable. If DPS were to reduce staff further the unit would not be able to achieve the current work commitments. Savings have been successfully secured in other areas, such as annual rental and support costs. There is a plan to review the complete DPS service in January to March 2019, with the aim of identifying additional savings, building unit costs and researching further income streams.
- 3.4 Income from third parties was included in the original report, unfortunately it has become apparent that undertaking work for third parties is not permitted; therefore, this has not occurred, resulting in a lack of income in this area, which was initially thought possible.
- 3.5 DPS does consult with several partner organisations, including Wolverhampton Homes, Local Government Pension Scheme (LGPS) and West Midlands Pension Fund (WMPF). DPS have succeeded in gaining business from these organisations, feedback has been positive, and business continues to grow.
- 3.6 ICT are currently in negotiations with another Local Authority who have requested a meeting to discuss utilizing Wolverhampton's printing services. Whilst there is no commitment as yet, this further demonstrates the reputation of the excellent in-house service.
- 3.7 Along with the purchase of new equipment, the opportunity to begin to improve both the working conditions for staff but also the look and feel for those visiting this area has been completed. This has resulted in positive feedback from customers, but more importantly a huge rise in staff morale. This work is not yet complete.

4.0 Recommendations for Scrutiny Panel to consider

- 4.1 The refurbishment of the DPS area is not complete, there is a planned refurbishment programme, for the mezzanine area and the basement, which may commence March 2019. It is important for staff working in this area, that this work is completed. Staff working in the basement should have access to similar facilities to those provided across Civic Offices. The members of the scrutiny panel are asked to support this continued refurbishment of the civic centre.
- 4.2 The City of Wolverhampton Council (CWC) needs to ensure all print requirements are directed to the internal DPS team and that all staff/services follow this route. It has recently been identified that approximately £116,000 has been spent with external printers in the last 12 months. It is not possible to dissect each individual order, but it can be assumed that a high percentage could have been completed internally by DPS. Commissioning work via the in-house service, results in money remaining within the

authority and delivery of a cost reduced service. The members of the scrutiny panel are asked to support the recommendation that all work be directed to the internal DPS team rather than staff commissioning work from external printers.

- 4.3 There is an opportunity for DPS to take on additional internal work by completing personal work for CWC staff. DPS are repeatedly asked if they can assist. This approach would help ensure that equipment is in constant use, as these smaller jobs could be completed during quieter times, whilst bringing in additional funding to the CWC. The members of the scrutiny panel are requested to consider this suggestion.
- 4.4 Senior Management within ICT continue to work closely with Finance to challenge and revisit all DPS charges and build an accurate cost model. This will ensure charges remain competitive but in line with outgoings. It is fully expected that costs will still provide better value than that presented by external suppliers. A catalogue of services with costs will be constructed, one for internal customers and one for external partners. The members of the scrutiny panel are requested to support this approach.

5.0 Financial Implications

- 5.1 Cabinet (Resources) Panel on 28 March 2017 endorsed the modernisation and restructuring of the Councils in house print service to realise anticipated cost savings in the region of £680,000 over a three-year period.
- 5.2 The Document centre revenue budgets, for 2018-2019, in relation to equipment hire and employee costs have been reduced by a total of £235,000. This reflects the annual element of the £680,000 anticipated cost saving over a three-year period.
- 5.3 The current projected outturn position for the Document centre indicates that the service is operating within the reduced revenue budgets and therefore on target to achieve the £235,000 annual cost savings first anticipated.
- 5.4 There are opportunities to explore the generation of income through the completion of personal work for Council employees and/ or other Local Authorities, the outcome of which will be subject of future reports to Councillors.
- 5.5 Market information suggests that, internal project works, if commissioned externally would have cost an additional £32,000. This is based on in house service charging at a rate 25% lower than that of the external market. Work is ongoing to ensure charges remain competitive whilst covering costs of the service provided.

[TT/22112018/M]

6.0 Legal implications

- 6.1 There are no legal implications arising from the recommendations in this report.
[LW/21112018/B]

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7.0 Equalities implications

7.1 An equalities impact assessment was undertaken as part of the original report and no equalities implications were identified.

8.0 Environmental implications

8.1 There are no environmental implications arising from the recommendations in this report.

9.0 Human resources implications

9.1 There are no human resources implications currently, however this will change if it is identified that further staff are expected to be released.

10.0 Corporate landlord implications

10.1 There are no corporate landlord implications.

11.0 Schedule of background papers

11.1 Print and Outgoing Mail Strategy report to Cabinet (Resources) panel, 28 March 2017.