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The purpose of this report is to advise the Council of a proposal to establish alternative accommodation for the Riccarton Service Centre.

Some months ago the Riccarton/Wigram Community Board was advised of a proposal to deliver Council services in Riccarton through an agent. The Riccarton/Wigram Community Board asked that all options be considered prior to considering any agency arrangement.

Accordingly a consultation process with residents was undertaken. The results of this process indicate a strong preference for Council services to continue to be delivered from an office or agency in the Riccarton area. A new option to deliver service from New Zealand Post Shop, Riccarton Road, was identified.

INTRODUCTION

The Riccarton Service Centre was established in 1989 with the other Council service centres. The Council's lease on the current office has expired and the property is being rented on a month by month basis. Service Centre activities include:

- Receipting of Council accounts
- Providing information on Council activities
- Taking enquiries and complaints on Council activities
- Selling Council and other organisations products

Current hours of operation are 8.45am to 5.00pm Monday–Friday.

There has been a decline in transactions at the service centre. This is due to the loss of the Southpower agency in June 1998; a move by customers to direct debiting of rates; the loss of drivers licensing agency; and the move to postal dog registration (i.e. reply paid envelopes). This decline has resulted in a considerable amount of staff down time, with busy periods peaking four times per year during the last week of rates payments and at dog registration time.

To illustrate the decline in receipts issued it is worth noting that in the 1997/98 financial year 30,368 receipts were issued, whereas in the 1998/99 financial year only 18,328 receipts were issued.

Given that the level of service provided also includes provision of general information for walk in customers it is not possible to provide a meaningful "cost per transaction" figure.

SEEKING COMMUNITY VIEWS

A consultation process with the residents of the Riccarton area was undertaken and 30 groups were invited to respond to open-ended questions. Twenty-one responses were returned and opinions covered the following areas.

Services

- There was a strong demand for continuation of existing services, with an emphasis on the need to provide Council and community information

Hours of Service

- There was a general acknowledgement that hours of opening could be reduced, if necessary, to either 9.00 or 10.00am to about 4.00pm depending on option adopted

Service Provider

- Quality of service (prompt and friendly) is important to customers
- There was a strong demand for Council employees to deliver the service within the Riccarton community
- Respondents indicated an agency arrangement may be acceptable if the quality of service is maintained

Location

- Respondents preferred the service to be delivered in the general vicinity of the present location, with good parking and easy access to the building

General

- Some concerns were expressed about moving to an agency arrangement
- Some respondents favoured the Riccarton Community Centre as a location
- Support was also expressed for operating from within a bank or shop

Based on the feedback from the consultation process it would appear to be important for the Council to retain a presence in the Riccarton area. Two possible venues (Smiths City Market, Riccarton and New Zealand Post Shop, Riccarton) for delivery of Council services have been investigated. Smiths City Market has recently withdrawn their proposal. Another possible venue was the Riccarton Community Centre. This was not, however, considered to be viable option due to space limitations and security issues.

New Zealand Post Shop Proposal

The New Zealand Post Properties has put forward a proposal, which would allow the Riccarton Service Centre to conduct operations from a counter within the New Zealand Post Shop, Riccarton. The Post Shop is situated on Riccarton Road and has access to car parking at the rear of the building.

The hours of operation are 8.30am to 5.30pm Monday–Friday, and on Saturday from 9.00am to 12 midday.

BENEFITS OF LEASING SPACE WITHIN AN EXISTING BUSINESS PREMISE

The proposed lease arrangements cover rent, electricity, heating and air conditioning, cleaning, building maintenance, fire protection and insurance. New Zealand Post option could also provide us with a prototype counter and include the cost in the leasing arrangement.

Services that are currently offered from the Riccarton Service Centre could continue to be offered by Council staff from the leased space.

Given the outcome of the seeking community views exercise it was not considered appropriate to pursue an agency arrangement (i.e. services delivered by other than Council staff) at this time. Maintaining the existing level of service was important to the community and this level of service is more than receipting and provision of very basic information.

STAFFING

There are opportunities for savings in staffing throughout much of the year as under this arrangement it would not always be necessary to employ two staff full-time.

FINANCIAL IMPACT OF PROPOSALS

The cost of the output (before internal revenue) for 1999/2000 is \$136,676. The financial savings of pursuing this proposal are of the order of \$24,000 per annum, which represents an efficiency gain of 18%.

CONCLUSION

Based on the feedback from residents it would appear that there is strong feeling for retaining a Council presence in Riccarton. Moving the service centre operation into existing commercial premises allows an ongoing Council presence in the Riccarton community and also provides a saving in terms of operational and staffing costs.

New Zealand Post Shop has the added attraction of a street frontage on Riccarton Road, giving location advantages. There is car parking available with easy access from the car park into the building.

This matter was considered by the Riccarton/Wigram Community Board at its meeting held on 24 November.

The Board resolved:

1. That the Riccarton/Wigram Community Board considers it essential that the Council continue to provide service in Riccarton, long term, and any lease entered into provide this security.
2. The Riccarton/Wigram Community Board supports the recommendation to lease space within the Riccarton New Zealand Post shop, for the delivery of Council services by Council staff.

The Chairman commented:

The reduction in the number of receipting transactions by nearly 40% means that this service has become relatively more expensive to provide. The anticipated savings of about 18% are therefore quite modest. As the number of transactions is likely to decline further, efforts should be made to secure the maximum benefits from the proposed change.

- Recommendation:**
1. That the information be received.
 2. That the necessary action be taken to relocate the Riccarton Service Centre operation into leased space within the Riccarton New Zealand Post Shop, for the delivery of Council services by Council staff, subject to the achievement of maximum efficiencies from:
 - (i) Matching staffing and opening hours to customer demand periods.
 - (ii) Optimising the synergies from co-location.