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COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 24 August 2010

Present:

Councillor P Gilchrist (Chair)

Councillors

A Brighouse
J Keeley
P Davies
P Kearney

B Kenny
D McCubbin
J Stapleton
S Williams

Deputies:

Councillors C Meaden (In place of A McArdle)

31 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members were asked to consider whether they had personal or prejudicial interests in connection with the following item on this agenda and, if so, to declare them and state what they were.

Members were reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they were subject to a party whip in connection with the item to be considered and, if so, to declare it and state the nature of the whipping arrangement.

No such declarations were made.

32 OFFICE ACCOMMODATION

Further to minute 28 (8 July 2010), the Director of Law, HR and Asset Management presented his report in relation to Office Accommodation, which had been referred by the Cabinet (minute 45 (24 June 2010) refers) to the Overview and Scrutiny Committee for consideration. The report presented the business case produced by EC Harris for the rationalisation of the Council's office accommodation. It identified related issues that required further consideration and sought guidance from Members on the preferred way forward.

The Head of Asset Management outlined the key issues contained within the consultancy report, which took a long term view in relation to both cost efficiency and the qualitative benefits that would be delivered. The report presented six options for consideration and he commented that beyond the 'do minimum' option, which was not recommended, any of the other 5 options would deliver savings and operational efficiencies. Option 3 (to retain Wallasey Town Hall, Cheshire Lines, Acre Lane, make better use of Solar Campus, refurbish Westminster House and provide the balance of the required accommodation in new build) was recommended as being the most economically advantageous solution. It would deliver discounted average revenue savings to the Council (compared with 'do minimum') in excess of £800,000

per annum over the model period of 25 years, plus further as yet unquantified savings. Those savings were dependent upon stated assumptions in the report, including a 10% reduction in staff numbers over the 25 year period under consideration. However, Members commented that the report recognised crucially, that the change programme, of which the SAR was a component, had not yet determined the future staff numbers or the organisation of functions within a rationalised portfolio.

Members referred to the significant investment that was required in option 3 before any savings would be achieved and commented upon the revenue implications of such investment. In response to further questions, the Deputy Director of Finance provided guidance for Members with regard to Prudential Borrowing to meet capital projects. However, the Head of Asset Management indicated that the model had been based upon all of the measures within option 3 being implemented. Following direction from the Cabinet, officers were investigating an alternative approach which did not involve new build and would deliver savings without the need for high levels of initial investment.

EC Harris had recommended that, because three of the modelled options were so closely ranked, further work should be done to confirm option 3 as the agreed way forward. Once a preferred option had been confirmed further detailed work would be undertaken to develop a final business case as the project moved forward. Separate detailed work was also required to address the related and building-specific issues outlined in the report so that the maximum advantage could be taken of opportunities arising from the rationalisation project.

Members had undertaken a site inspection of a sample of buildings affected by option 3 and considered various issues in relation to the proposals including the scope for savings in reduced facilities management costs. Members had regard also to the costs of the key works that were required, both short term and long term in relation to Westminster House and views were expressed as to whether it should be disposed of and, instead, to retain the North and South Annexes. Members also expressed concern about any proposal to mothball buildings in central Birkenhead, particularly the Conway Building, as it housed the main One Stop Shop. The Head of Asset Management indicated that detailed option appraisal work was required in relation to all of the One Stop Shops affected by the proposal.

He confirmed that a detailed options report was being prepared for the Cabinet, with a view to it being presented on 23 September 2010.

The Chair expressed the view that the Cabinet report should firstly be presented to the next meeting of the Committee in order that the views of the Committee may be presented to the Cabinet. The Chair went on to summarise comments made by Members in relation to the proposals for Office Accommodation, in the light of the recent site visits and having had regard to the consultancy report.

Resolved –

(1) That the officers be requested to have regard to the views of the overview and scrutiny committee in relation to office accommodation –

- **A recognition of the importance of locality working**

- A recognition of the need to achieve savings as a matter of urgency, including taking some buildings out of use for early disposal, to achieve those savings
- The need to progress IT infrastructure/technology
- The need for a clear understanding of the level of upfront investment required and the levels of savings that may be achieved
- The importance of having a One Stop Shop in central Birkenhead was endorsed
- That the views of the Conservation Officers should be sought in relation to the Conway Building
- That consideration should be given to an increased use of the Solar Campus
- That consideration be given to the refurbishment of the North and South Annexes in order to accommodate more staff
- That there should be either effective refurbishment or disposal of Westminster House
- That more work should be undertaken in relation to savings associated with Facilities Management
- That new build should not be considered at the present time
- That Wallasey Town Hall should remain as the Council's political centre
- That there should be an increased use of Agile Working
- That no further action should be taken at Cheshire Lines, other than to intensify its use
- That the Council's Carbon Footprint should be reduced as a result of the proposals

(2) That the Cabinet report of the Director of Law, HR and Asset Management be presented to the meeting of the Committee scheduled for 21 September 2010, in order to allow the views of the Committee to be presented to the Cabinet at its meeting on 23 September 2010.

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