

# WIRRAL COUNCIL

## COUNCIL EXCELLENCE OVERVIEW & SCRUTINY COMMITTEE

16 MARCH 2011

<b>SUBJECT:</b>	<b><i>OFFICE RATIONALISATION</i></b>
<b>WARD/S AFFECTED:</b>	<b><i>ALL</i></b>
<b>REPORT OF:</b>	<b><i>DIRECTOR OF LAW, HR AND ASSET MANAGEMENT</i></b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b><i>COUNCILLOR HOLBROOK</i></b>
<b>KEY DECISION?</b>	NO

### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report provides an update on office rationalisation as requested by the Committee.
- 1.2 The office rationalisation programme and an increase in agile working will support the corporate priority to improve the use of the Council's land and assets. They will also support and help facilitate improvements in service delivery.
- 1.3 The office rationalisation project is expected to deliver substantial annual revenue savings by reducing the amount of space occupied.
- 1.4 The provision of administrative accommodation is not a statutory requirement but such accommodation does support the delivery of statutory functions.

### **2.0 RECOMMENDATION**

- 2.1 That the report be noted

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 This update has been provided at the request of the Committee.
- 3.2 The office rationalisation project will be overseen by the Strategic Change Programme Board as part of the Council's Strategic Change Programme.

### **4.0 BACKGROUND AND KEY ISSUES**

- 4.1 On 31 January 2011 this Committee considered an update on office rationalisation and agile working. The Committee resolved:
  - (1) That the Committee remains anxious that Westminster House should be vacated in a timely manner.

- (2) That a further update report be presented to the March 2011 meeting of the Committee.
- 4.2 Since the last meeting of this Committee there has been progress in the following areas:
- 4.3 A project plan has been developed for the vacation of Westminster House by 30 April 2011 to move the staff from Adult Social Care, Leisure and Cultural Services and NHS Wirral that have been based in the building. That plan is being implemented and is currently on target to deliver vacant possession by the target date.
- 4.4 Staff from NHS Wirral have relocated to Old Market House. Some Leisure and Cultural Services staff have been relocated, with the remainder shortly to move out of the building. In discussions with DASS the approach to relocation was agreed as one that disaggregates the staff currently in Westminster House. Some staff are currently in the process of moving to locality bases but, excluding those people, five groups of staff are being moved to alternative locations. Those groups are:
- Headquarters staff
  - Birkenhead locality team
  - Learning Disability service
  - Personal financial services
  - HR/Staff development
- 4.5 As previously reported the opportunity is being taken to increase the extent of agile working within teams where appropriate as relocations take place.
- 4.6 In respect of Headquarters staff, Cabinet at its meeting on 21 February 2011 approved the occupation of space within Old Market House. This gives physical co-location at a strategic level of social care and health functions which is considered important in terms of future service development and improvement. It will be adjacent to the new headquarters for Wirral Partnership homes, with which the department also has an interface, and the Public Health function is also one of those currently in the building.
- 4.7 On 21 February 2011 Cabinet also considered a report on the Council's Capital Programme, having asked for further information in support of expenditure on administrative accommodation to enable a final decision to be taken on that element of the programme. Having regard to the current financial position expenditure on specific items has been approved for 2011/12 for Wallasey Town Hall and the North Annexe, and schemes will now be developed for these buildings.
- 4.8 Attention will be focused on the North and South Annexes to create modern open plan accommodation into which staff can be moved whilst maximising their agility as far as possible. Work to facilitate this will be undertaken within available resources in the light of the agreed budget for 2011/12.
- 4.9 One of the issues raised by members at the Committee's meeting on 31 January 2011 was the impact of the current voluntary retirement and

severance programme on office occupancy. Details of those staff who left the Council's employment on 31 December 2010 have been collated and the table attached as Appendix A to this report illustrates the impact of those departures on the building occupancy figures used in the business plan presented to Cabinet in June 2010.

4.10 It should be noted that:

- Many of the staff who left the authority were not 'desk based' and do not therefore have an impact on office occupation
- Since the business plan figures were verified other staff moves have taken place
- Further staff will be leaving the Council between now and 31 June 2011. Once again not all of these staff will occupy desk space, but there will be a further reduction in the amount of space occupied. The additional impact of these departures on individual buildings will be assessed.
- Space has been created in disparate locations across the office portfolio. When planning to reduce the number of buildings held regard will be had to organisational synergies, co-location preferences and potential organisational changes.

4.11 The next steps will be to:

- Complete the move of staff from Westminster House; using this as an opportunity where possible to increase agile working and reduce the number of desks used
- Review core building occupancy to take account of additional capacity created by staff departures through voluntary severance and retirement
- Review teams and services identified as suitable for developing agile working with a view to developing agile working in services once immediate staff moves have been completed. Such a programme will be delivered within the constraints of existing resources and having regard to other priorities
- Bring forward proposals for the vacation of further buildings

4.12 Management of the rationalisation programme will continue through the Strategic Change Programme.

## **5.0 RELEVANT RISKS**

5.1 Risk management for office rationalisation takes place within the governance arrangements of the Strategic Change Programme.

5.2 The immediate focus for rationalisation is the agreed sale of Westminster House to Wirral Partnership Homes. Risks in managing the programme to vacate the building for sale are being managed on a weekly basis by Asset Management and ICT staff within the rationalisation project, who are working closely with Council and NHS colleagues.

5.3 A significant risk to the wider programme is the availability of finance to deliver required works to buildings; to install and upgrade where necessary

ICT infrastructure; and to provide appropriate desktop and portable equipment. Increasing financial pressures on the Council mean that limited resources will have to be prioritised. The rationalisation programme and the delivery of agile working will therefore be managed within the constraints of available budgets.

## **6.0 OTHER OPTIONS CONSIDERED**

- 6.1 Options for accommodation change are developed and considered within the Strategic Change programme.

## **7.0 CONSULTATION**

- 7.1 Consultation is being undertaken within services directly with those staff whose workplace will be changed as a result of office rationalisation.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 8.1 None arising directly from this report.

## **9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

Financial resources

- 9.1 Cabinet approved a revised Capital Programme on 21 February 2011. The rationalisation programme will proceed in line with available capital and revenue resources, including the use where appropriate of existing ICT and maintenance budgets.

IT resources

- 9.2 IT staff resources will be deployed to deliver the agreed programme within the limits of current provision. Relocation of staff from Westminster House by 30 April 2011 is currently the priority, together with any associated moves to facilitate this.
- 9.3 Staffing - no implications beyond those referred to in the body of the report.
- 9.4 Asset management implications are dealt with in the body of the report.

## **10.0 LEGAL IMPLICATIONS**

- 10.1 None arising directly from this report.

## **11.0 EQUALITIES IMPLICATIONS**

- 11.1 None arising directly from this report.
- 11.2 An Equality Impact Assessment has been completed for the overall office rationalisation programme. Detailed assessments will be undertaken in each case where teams are relocated.

## **12.0 CARBON REDUCTION IMPLICATIONS**

- 12.1 Any refurbishment and improvement of existing accommodation would allow the creation of a more sustainable administrative estate with lower environmental impact. In particular, the opportunity will be addressed in any programme of work to improve building efficiency and reduce energy consumption and CO2 emissions wherever possible. The Council's budget for 2011/12 makes provision for the installation of solar photovoltaic panels on Council buildings, and schemes will now be developed.
- 12.2 Other benefits could be realised through new working arrangements, for example a reduction in business mileage and CO2 emissions due to the consolidation of offices and an increase in agile working.
- 12.3 Disposal of Westminster House will reduce the Council's CO2 emissions by 188 tonnes in 2011/12.

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

- 13.1 None arising directly from this report.

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## **APPENDICES**

Appendix A

## **REFERENCE MATERIAL**

None

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Cabinet – Transforming Wirral – Strategic Asset Review	<b>15 January 2009</b>
Council Excellence Overview & Scrutiny Committee Cabinet – Office Rationalisation	<b>18 November 2010</b>
Cabinet – Office rationalisation	<b>25 November 2010</b>
Cabinet – Capital Programme	<b>21 February 2011</b>
Council Excellence Overview & Scrutiny Committee – Office rationalisation and agile working	<b>31 January 2011</b>