

DESCRIPTION OF OPTION

This proposal includes options for levels of service delivery on the rationalisation of 'front line' operational assets and proposes two major 'back office' facilities for vacation to save costs.

It proposes to only to retain those assets which are required for service delivery and to operate from the minimum number of buildings. Where possible services are to be co-located and share facilities.

Savings for this option is £457,800.

RATIONALE FOR SAVINGS

The Council owns an extensive and varied operational estate – excluding schools - from which it delivers 'front line' services and provides 'back office' support.

The recent public consultation exercise (the results of which will be reported to Cabinet on 8 November) showed that respondents strongly support a review of the Council's use of buildings to provide services from a smaller, more cost effective number of locations.

In view of the Council's current budget position staff numbers in core administrative accommodation have been reviewed to consider what additional space could be vacated – with consequent cost savings – if staff numbers were to reduce by a series of assumed levels.

The constraints of existing buildings have also been taken into account. Those constraints limit the effectiveness of the current building stock.

It is considered that one main administrative building could be vacated this is the Finance Municipal Building in Birkenhead. The building has a substantial repair and maintenance backlog. Annual cost for Municipal Building is £197,400.

In addition it is recommended that the Acre Lane facility be closed and vacated, releasing the site for disposal and redevelopment, which would in turn be expected to produce a substantial capital receipt for re-investment elsewhere.

Annual premises costs in relation to Acre Lane are £260,400 which would be saved in their entirety if the facility is not reprovided. If the Professional Excellence Centre is replaced then the new facility will carry annual premises costs, which would reduce the potential annual saving.

Disposal of Acre Lane would be expected to produce a substantial capital receipt.

In terms of overall savings, Annual premises costs in relation to Acre Lane are £260,400 which would be saved in their entirety if the facility is not reprovided. If the Professional Excellence Centre is replaced then the new facility will carry annual premises costs, which would reduce the potential annual saving.

Disposal of Acre Lane would be expected to produce a substantial capital receipt. A range of other Council owned buildings will also be reviewed with a view to adopting a similar approach to that described above.

IMPACT

The relocation of staff from both buildings would need to be considered in the context of requirements to co-locate services and departments that arise from a Council restructure. There is a risk that a suitable alternative location may not be found for the Professional Excellence Centre, in which case the service would either cease or operate in a reduced or limited form. This in turn may create risk for the quality of Children's and other services. There is a risk that the demolition of Finance Municipal Building would have a negative effect on the nearby Hamilton Square.

If the buildings are vacated and neither demolished or disposed of (or if this is delayed) they may attract anti-social behaviour and present safety and security risks. This can be mitigated by physical and on-site security measures, but these will incur significant revenue costs.

In terms of consultation, affected staff would be communicated with in the case of each building. In addition, for Acre Lane there would be a need to consult service users – especially schools – and external partners who use the facility.

Staff relocations will require IT support and investment. This has yet to be quantified.

MITIGATION

The Finance Municipal Building could be refurbished and continue in use. However given the constraints and considerations set out in the report to Cabinet on 2 February 2012 its vacation and demolition offers one of the simplest and quickest options to deliver significant annual revenue savings.

Vacation and demolition/disposal of both buildings will reduce the Council's carbon emissions.