

WORCESTERSHIRE DISTRICT COUNCILS AND COUNTY COUNCIL

**MEETING OF THE WORCESTERSHIRE SHARED SERVICES
JOINT COMMITTEE**

THURSDAY 25TH NOVEMBER 2010, AT 4.00 P.M.

COUCIL CHAMBER, THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

SUPPLEMENTARY DOCUMENTATION

The attached papers were specified as "to follow" on the Agenda previously distributed relating to the above mentioned meeting.

9. Accommodation (Pages 1 - 14)

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

18th November 2010

K. DICKS
Chief Executive

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Joint Committee
25th November 2010

Worcestershire Regulatory Services (WRS) Flexible Working and Accommodation Report

Recommendation

1. That the Joint Committee approves this report and the introduction of flexible and mobile working across the whole of Worcestershire Regulatory Services.
2. The Joint Committee authorises the Head of Regulatory Services to identify a single site for Worcestershire Regulatory Services and make the necessary arrangements.
3. That the Joint Committee recommends to partners not to charge for unoccupied Worcestershire Regulatory Services premises post relocation.

Contribution to Priorities/ Recommendations

Introduction/Summary

The combined WRS of the 7 authorities has recently undergone a review of its working practices to move towards a flexible and mobile approach to its field operation. The finding of that review has shown that using flexible working the current 170 fixed desks located at 7 council offices can be reduced to a maximum of 95 if they are located at a single central site, with potential for further reduction to 70 on operation of business transformation.

Background

In June 2010 the establishment of WRS was based on reducing the overall budget of the Trading Standards, Environmental Health and Licensing serviced by 17.2% over 3 years.

To this end the combined staffing level was to be reduced from 165 to 134 with a further transformational reduction to 120 or less.

The sole desk occupancy of [most of] the authorities with its space demands, together with duplication of infrastructure, storage, etc identified areas for efficiency savings.

Part of the project was therefore to look at flexible and mobile working, i.e. working at home, from home, or from touchdown points around the County. Touchdown facilities can be delivered from existing points within the 7 authorities or from Hub centres.

It is the minority of staff who need a fixed desk and by bringing these together into a single location with an additional minimum number of flexible working points for field staff, savings can be made.

The authorities can readily reuse the existing accommodation or have plans in train to alter their property arrangements to new locations.

The attached detailed business case explains the rationale behind the move to flexible working across the WRS and the benefits that such working and single site occupation would bring.

Report

Financial Implications

The financial analysis at Section 7 of the attached detailed business case shows that a saving of £640,000 could be achieved over a 5 year period by moving to a single site.

Sustainability

Contact Points

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Background Papers

Attached detailed business case.

EXECUTIVE SUMMARY

**INTRODUCTION OF FLEXIBLE WORKING
AND ASSOCIATED CHANGES
IN ACCOMMODATION REQUIREMENTS**

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DRAFT

DETAILED BUSINESS CASE

INTRODUCTION OF FLEXIBLE WORKING AND ASSOCIATED CHANGES IN ACCOMMODATION REQUIREMENTS

The Vision

'A fully integrated Regulatory Services function, more effectively focussed on businesses and consumers, with all partners operating within one Management Structure'

The business model to support this vision focuses the delivery of services by looking from the outside in – as our customers would see it.

There is a clear need to consider flexible working and accommodation as part of the business transformation process.

The business model recognises the need to maintain a localised presence particularly in the area of Environmental Health and Licensing to retain local knowledge across the service. The model also acknowledges that localised operations will need to be maintained to ensure that service delivery in specialist areas is consistent and practical.

As the introduction of remote and flexible working is achieved the accommodation requirements of the service will change and this will also be linked to the transformational changes based on what our customers need.

Project details

Project Name	FLEXIBLE WORKING/ACCOMMODATION
Project Manager	Steve Birch

INTRODUCTION AND BACKGROUND

1. Project description

There are a large number of case studies demonstrating that flexible, mobile and home working can offer organisations a range of valuable benefits including improvements in productivity and improved service delivery, employee morale and retention, reduced carbon emissions/traffic congestion and reduced accommodation costs. There are several examples of constituent partners of Worcestershire Regulatory Services already using remote and flexible working but the current situation is untenable due to differing policies and working practices.

This project's aim is to deliver a step-change increase in flexible and home working, with a view to delivering the associated benefits for individual employees, the service and the customers served.

Against the background of the current financial situation and proposed cuts in service income, the early stages of the project will be focused on early opportunities to reduce costs and in particular flexible and home working to rationalise accommodation and reduce costs. By increasing the numbers of staff working in a more flexible and mobile way, we will reduce demand for accommodation and this will enable us to look at the existing seven sites and determine the optimum number and location of service delivery locations to fit the business model described above.

The project has concentrated on the following:

Policies – ensuring our policies around Flexible working are developed and associated policies such as lone workers are in place.

Accommodation – identifying the service's future needs for accommodation both in relation to numbers of workstations required and location for service delivery.

2. Strategic Overview

Partnership Working

Since the inception of the Regulatory Services pilot it has always been considered that to deliver an efficient and effective service we would need to do so in conjunction with other partners. These would include local and national government colleagues, elected members, business and consumer organisations, professional bodies and the third sector.

Future Developments

Recent developments in Public Health and the imminent devolution of functions from the Office of Fair Trading are examples of yet further workload to be imposed on local authority Regulatory Services. Worcestershire Regulatory Services will therefore need to be sufficiently robust in its infrastructure to take on these additional responsibilities.

The potential for growth beyond the current Trading Standards, Environmental Health and Licensing functions into a yet wider Regulatory Service also needs to be considered

as does the potential to extend our service to neighbouring authorities who may wish to commission to us. Our working practices and accommodation needs should therefore be sufficiently flexible to address those needs.

The Wider Profile of Worcestershire Regulatory Services

There has been significant interest from the Local Better Regulation Office in the form and function of Worcestershire Regulatory Services which has culminated in a presentation by the Head of Regulatory Services and the Chair of the Joint Committee to a Shared Services seminar hosted by LBRO. It is clear that other local authorities are looking at our model as a pathfinder for them to follow. A number of discussions have taken place with other authority officers who find that in the current financial climate our service model is a positive way forward.

Accommodation Needs

Having regard to the needs of the current service and the potential growth for expansion, the Project Group has considered a range of options including both public sector and commercial properties. Looking at the future of Total Place within the County, the priority would be to use a public sector asset thus keeping public money within the public purse. However, all options have been considered.

3. Key Objectives

Service improvements and increased efficiency	➤	Service which delivers significant service improvements and efficiency and flexibility through mobile and flexible working
Delivery of services by looking from the outside in	➤	Localised presence and customer-focussed service responding to the needs of the customer
Cost saving and return on investment	➤	Reduced accommodation costs and increased returns for partners
Focussed service delivery	➤	Retain a local presence through local surgeries whilst delivering suitable services through centralised delivery channels thus rationalising accommodation requirements

4. Project Assumptions

- Retain existing ICT platform whilst in transitional period
- HR policy amendments approved in partnership with the host authority
- The project works in partnership with the host
- The project is fully integrated with the WRS Shared Service project work streams
- The solution allows for further business development and service expansion
- By December 2011 there will be a single IT platform
- The service will need to keep a local presence for our key customers including members, business and the public
- Suitable and available property is available in the right location
- The accommodation work streams will integrate with the other work streams including IT and transformation
- That individual councils are committed to realising the assumed 20% overhead cost reductions
- That individual councils are committed to cease charging for all unoccupied premises post-relocation

5. Flexible working/HR

The rationalism of the property portfolio, changes in HR policy, improvement in remote technology and management training will engender a new way of working at all levels, across the Service. Managers will be required to focus on managing outcomes and levels of productivity as opposed to time based assessment of staff and this will lead to a more customer focussed delivery.

Employee Satisfaction

Evidence from a wide range of studies draws a direct link between increased flexible and remote working, better recruitment, higher levels of employee satisfaction and hence improved employee performance and retention.

Pilot study

A number of Local Authorities and businesses in the private sector have fully embraced the practice of flexible working. However, Worcestershire Regulatory Service has been created from six Local Authorities and the County Council which provides for a unique challenge in pulling together many different policies which are essential in providing and supporting a flexible and mobile work force. In order to establish the exact requirements for a service of this nature, a pilot study has been launched to identify resource and cost

savings and to uncover any hidden barriers to implementation and to endeavour to fix these matters during the pilot study.

The pilot study runs from the 04 October 2010 until 31 December 2010 and includes 24 volunteers from all of the represented parties with workers from all levels of operational and managerial sectors across all sectors of the service.

The study aims to deliver on three main objectives.

1. To address the local needs of the customer
2. To address the requirements of service delivery
3. To address the needs of individual workers

The use of personal plans to draw up agreements between individuals and management enables each worker to set flexible working hours which covers extended working days, out of hours and weekend working. This increase in operational cover allows the customer to benefit from access to the service at times that will be more convenient for them without any increase in operational costs. Also, it allows the individual worker to balance the needs of home life, caring and child responsibilities and avoid peak travel times.

The use of mobile, home and remote working enables the individual to remove avoidable time and associated costs of travelling to and from a fixed working site. This wasted time has been estimated to add up to 5 –10 hours for an individual per working week. This is dependent upon access to the required data and software packages on a remote IT provision. The development of a final remote solution would drive out further efficiencies and enable remote and home working to be carried out where the aims of the service are satisfied.

It is essential that the flexible working policy for Worcestershire Regulatory services is developed with due consideration for existing policies, health and safety, IT provision and support and lessons learnt from the pilot study. During the pilot, meetings and workshops have been held with line managers, representatives from IT departments within the partners, the IT work stream for WRS, HR and Health and safety at the host authority and the volunteers.

Initial results

The pilot study has already shown indications of change in the following areas:

1. Increased access for customers and business to suitably skilled officers
2. A significant rise in empty desks in all partner areas
3. A positive change in staff morale due to flexibility in home / life arrangements
4. A reduction in carbon footprint due to the decrease in avoidable journeys
5. Increase in amount of time spent with customers due to the ability to complete work remotely without returning to the office
6. A cultural change in working away from a fixed desk sole occupancy
7. Reduction in the requirement for car parking

The completion of the pilot study and implementation of flexible and mobile working across the service would provide additional cost savings associated with accommodation rationalisation, transport, resources, building overheads and would

produce a greater work output, reduce rates of sickness and staff turnover and reduce the environmental impact.

6. Options

Three sites have been identified that provide a solution to a single site requirement. One site is Local Authority owned and the other two are within the private sector

ASSESSMENT METHODOLOGY OF THE PREFERRED SITES

		Score A	Score B	Score C		SITE A (Local Authority owned)	SITE B	SITE C
	<i>weighting</i>	<i>Score 1-5</i>						
cost	X3	4	5	2		12	20	6
location	X3	4	3	4		12	12	12
access	X3	2	2	2		6	4	6
parking	X2	2	2	2		4	4	4
repair	X2	5	5	5		10	10	10
layout	X2	5	2	3		10	4	6
IT	X2	3	3	3		6	6	6
equipment	X1	5	1	1		5	1	1
TOTAL						65	61	51

With reference to the vacated property, initial investigations have indicated that, in most cases, the property can be re-used by the partner or will become redundant due to scheduled property moves as follows:

• Worcestershire County Council	Vacated space can be re-used
• Wychavon	Vacated space can be re-used
• Worcester City	Indicative solution owned by Worcester City
• Bromsgrove	Proposed move will render current space redundant
• Redditch	Proposed move will render current space redundant
• Wyre Forest	Duke House to be vacated in move to a single site
• Malvern Hills	Income to partner negligible

7. Financial Analysis

Existing Cost of Accommodation:

TABLE 1	2010/11	2011/12	2012/13	20013/14	2014/15
	£	£	£	£	£
Premises	324,170	324,170	324,170	324,170	324,170
Minus residual costs					
Metrology lab	8,200	8,200	8,200	8,200	8,200
Storage	7,900	7,900	7,900	7,900	7,900
Cage	800	800	800	800	800
Total Actual Cost	307,270	307,270	307,270	307,270	307,270

Cost of proposed solutions:

TABLE 2	2011/12	2012/13	2013/14	2014/15	2015/16
PREMISES A	£	£	£	£	£
Wyatt House					
Rent	75,000	75,000	75,000	75,000	75,000
Rates	32,913	32,913	32,913	32,913	32,913
Service	17,000	17,000	17,000	17,000	17,000
Cleaning	8,000	8,000	8,000	8,000	8,000
Equipment	7,500				
Energy	20,000	20,000	20,000	20,000	20,000
Total	160,413	152,913	152,913	152,913	152,913

TABLE 3	2011/12	2012/13	2013/14	2014/15	2015/16
PREMISES B	£	£	£	£	£
Century House					
Rent	52,000	52,000	52,000	52,000	52,000
Rates	33,000	33,000	33,000	33,000	33,000
Service	1,625	1,625	1,625	1,625	1,625
Furniture	35,000				
Cleaning	8,000	8,000	8,000	8,000	8,000
Energy	20,000	20,000	20,000	20,000	20,000
Structural Changes (offices)	20,000				
Total	169,625	114,625	114,625	114,625	114,625
TABLE 4	2011/12	2012/13	2013/14	2014/15	2015/16

PREMISES C					
Teme House, Whittington Hall	£	£	£	£	£
Rent	64,750	64,750	64,750	64,750	64,750
Rates	41,000	41,000	41,000	41,000	41,000
Service	32,550	32,550	32,550	32,550	32,550
Furniture	35,000				
Cleaning	8,000	8,000	8,000	8,000	8,000
Energy (half Duke House)	20,000	20,000	20,000	20,000	20,000
Total	201,300	166,300	166,300	166,300	166,300

TABLE 5	2011/12	2012/13	2013/14	2014/15	2015/16
SET UP COSTS	£	£	£	£	£
Interim IT	50,000	5,000	5,000	5,000	5,000
Furniture	2,000				
Travelling	27,000				
Telephony	5,000	5,000	5,000	5,000	5,000
Total	84,000	10,000	10,000	10,000	10,000

TABLE 6	2011/12	2012/13	2013/14	2014/15	2015/16
INDICATIVE SAVINGS	£	£	£	£	£
Current	307,270	307,270	307,270	307,270	307,270
Set up	84,000	10,000	10,000	10,000	10,000
Premises A	160,413	152,913	152,913	152,913	152,913
Savings	62,857	144,357	144,357	144,357	144,357
Total			£640,285		

8. Risks to Not Pursuing the Project

- Projected under-occupancy continues / get worse
- Missed opportunities to reduce costs / generate income
- The payroll of the organisation reduces without making associated savings from property
- Worcestershire Regulatory Services will continue to pay for accommodation that is not required

9. Conclusions

- Such a move would improve delivery to customers
- Flexible and mobile working will reduce the needs of the service for desk space from 170 to 95 desks in the short term. It is envisaged that there will be a further reduction to 70 desks with the implementation of full flexible, mobile and home working. Surplus space will be used to expand into further partnership arrangements
- Significant savings are achievable by rationalising current accommodation to provide this desk space
- A local presence can be maintained in all 6 former district areas
- Improve efficiency

10. Recommendations

Following the Management Board agreement in principle:

1. That the Joint Committee approves this report and the introduction of flexible and mobile working across the whole of Worcestershire Regulatory Services.
2. The Joint Committee authorises the Head of Regulatory Services to identify a single site for Worcestershire Regulatory Services and make the necessary arrangements.
3. That the Joint Committee recommends to partners not to charge for unoccupied Worcestershire Regulatory Services premises post relocation.

11. Stakeholders

Stakeholder list to be managed through existing WRS project arrangements

- WRS Staff
- Partners
- Joint Committee
- WRS Project Board
- Project Implementation Team
- WRS Management Board
- WETT PMG
- HR
- TUs
- BOLD team

12. Project Management

Project Team

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