

## JOINT COMMITTEE

27<sup>th</sup> November 2014

### Proposed change of accommodation for WRS

#### Recommendation

That Joint Committee agrees:

1. That the decision on whether the service moves its main operating base to Wyre Forest House or the Civic Centre, Pershore, be delegated to Steve Jorden, Head of Regulatory Services, in consultation with Ivor Pumfrey, Chair of the WRS Management Board and Jayne Pickering, Section 151 Officer for Bromsgrove District Council as the host authority.
2. That authority be delegated to Steve Jorden, Head of Regulatory Services, and Jayne Pickering, Section 151 Officer for Bromsgrove District Council, to enter into whatever contractual and financial arrangements are necessary to facilitate the relocation
3. That the one-off costs of relocation be shared between partners in the following proportions:
  - 50% to be borne by Worcestershire County Council
  - 50% to be borne by the District Council partners, divided equally amongst them

#### Summary

This report asks the Committee to agree to the service moving its main operating base. This move reduces the service's overhead costs, which will facilitate a change to the percentage contributions made by partners.

Four locations were identified from the list of local authority locations that could accommodate WRS. A number have been evaluated in terms of suitability and cost. The assessment undertaken includes factors such as availability of car parking, the cost of disturbance allowances, public transport access and other staffing issues, as well as cost.

#### Report

##### Introduction

Following discussions at Management Board to reduce the fixed costs and overheads of the service, a sub group was established to look at these issues and consider the allocation of overheads across the partners in relation to direct costs.

The sub-group looked at potential savings and concluded that a possible total of up to £200k annual savings could potentially be achieved by:

- A change to accommodation by relocating the service (£100k)
- A change in IT hosting arrangements to be delivered as part of relocation (£100k from hosting, dependant on IT support at new location.)

### Options and Evaluation Process

The shared Property Services team were asked to review available accommodation and provide a list of local authority and other partner properties that might be suitable. IT was also considered to be important to move the IT hosting to the new location to ensure that on-site support and technical capacity would be in place to provide a resilient service to the teams. Consideration was limited to property available from existing WRS partners. All accommodation available from partners was considered with only 3 locations having the available space that would meet the need for WRS teams to be sited in one location.

All three Council sites were visited and found to have potential. Each partner was asked to submit a costing for accommodation and hosting of the services' IT functions. A scoring matrix was developed to ensure a range of non-financial criteria would be included in the decision making process, though the majority of the score focused on price. Concern has been expressed at the potential impact if key staff are lost because of the decision being made, particularly in relation to lower paid support staff.

The Redditch location (Redditch library,) was deemed the least suitable for a number of reasons including the significant cost of disturbance. This left the Civic Centre in Pershore and Wyre Forest House, located between Stourport and Kidderminster.

There are one or two further areas to clarify before a final decision to move can be made as the bids made by the two remaining partners are not on like for like terms for some elements. Some further work is required so that a clear comparison can be made to ensure that a fair comparison is taking place. Members are therefore ask to **agree that the decision on whether the service moves its main operating base to Wyre Forest House or the Civic Centre, Pershore, be delegated to Steve Jorden, Head of Regulatory Services, and that authority be delegated to Steve Jorden, Head of Regulatory Services, and Jayne Pickering, section 151 officer for Bromsgrove District Council, to enter into whatever contractual and financial arrangements are necessary to facilitate the relocation.**

### Financial Implications

Current spending on accommodation costs is £180k. A proportion of this (£16k) relates to the secure storage used by the service at the Wildwood Building on the County Hall campus. The rest (£170k) relates to the costs associated with the accommodation at Wyatt House. The current cost of IT is £100k. Therefore a total cost of £286k.



Based on the current documentation provided, the saving offered on accommodation and IT hosting by a move to Wyre Forest House is estimated at £145k. The saving offered by Wychavon for a similar move to the Civic Centre in Pershore is £132,040. As has already been stated, further work is required so that a clear comparison can be made.

It is anticipated that £158,000 should be achievable following negotiation with the proposed new accommodation and IT host.

There are some one-off costs associated with the service's move which need to be funded. These are:

- Disturbance allowances, estimated at between £70,000 (Wychavon,) and £83,000 (Wyre Forest,) payable over the 12 months from 1<sup>st</sup> April 2015 (projected date of relocation),
- £25,000 to £30,000 for the separation of the WRS stored data from the Electronic Document Management System shared with other Bromsgrove Services,
- Physical cost of moving, currently estimated as in the region of £20,000 for either location
- One off IT cost of moving to a new IT interface platform of £20,000 (Wyre Forest only,)

The last of these can be funded from the IT budget for transformation that partners have allocated to WRS. Additional funding is required to cover the other one-off items. Given the long term savings that will accrue from the move, Management Board recommends that partners fund these costs as a one-off addition to the WRS budget. Given the change is focused on helping the County Council to meet its financial envelope and minimises impact on front line staff County has agreed to share a substantial proportion of these costs. Committee is therefore recommended to agree **that the one-off costs of relocation are shared by partners in the following proportions:**

- **50% to be borne by Worcestershire County Council**
- **50% to be borne by the District partners and divided equally amongst them.**

## Contact Points

**Steve Jordan**  
**Head of Regulatory Services**  
**Tel: 01527 881466**  
**Email: [s.jorden@worcsregservices.gov.uk](mailto:s.jorden@worcsregservices.gov.uk)**

## Background Papers