

Wiltshire Council

Transformation Board
5th July 2012

Cabinet (Capital Assets) Committee
24th July 2012

Subject: Transformation Programme: Review of Programme Spend and Project Outcomes

Cabinet Member: Councillor Stuart Wheeler – Transformation, Culture, Leisure and Libraries

Key Decision: No

Executive Summary

In 2009 Cabinet endorsed two major elements of the Transformation Programme, namely the Office Hub strategy and the Operational Estate portfolio of ‘initial projects’. Both programmes aim to improve and modify the property estate to create accommodation that supports staff to work more efficiently and effectively and where their customers need them. It also aims to save revenue costs and to reduce carbon emissions through rationalisation.

In 2011 Cabinet approved the Information Services Technology Plan and the Depot Facilities Strategy elements of the programme. The former seeks to provide ‘work anywhere’ technology in the form of infrastructure and equipment. The latter seeks to improve and reduce duplication in the depot estate following amalgamation of services since LGR.

The report includes a high level financial summary and the appendices provide a detailed update on the projects completed and in progress within each strand of the programme.

The programme has generated significant investment in the Wiltshire economy creating local jobs (over 100 on the County Hall project alone) and the release of pre-existing sites for inward economic investment. It is on target to deliver gross annual savings of £10m across all the workstreams and these savings are embedded in the council’s overall budget setting process.

Proposal

Members note that the initial phases of the Transformation Programme are nearing conclusion and the successful outcomes that have been achieved.

Reason for Proposal

To baseline the current programme progress in readiness to move forward with the next phases and highlight delivery so far.

Dr Carlton Brand
Corporate Director

Wiltshire Council

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Purpose of Report

1. To provide a comprehensive update on some of the Transformation Programme's key improvement projects.

Background

2. The Transformation Programme of improvement and rationalisation of the Council's estate is divided into three main areas, Operational, Hubs and Depots plus the complementary ICT Programme. The first tranche of the campus programme (Melksham, Corsham and Salisbury) was approved by Cabinet in December 2011 and represents the next important phase of community led estate improvements for the Council. Progress on and outcomes delivered through this programme will be reported separately as appropriate.
3. Property disposals, which are entirely predicated on the successful delivery of the Transformation Programme and are a key component of it, are presented and discussed in an accompanying paper to this Committee today.

Operational Estate

4. In December 2009 Cabinet confirmed its support for several initial priorities which sought to rationalise properties within the Council's operational estate in order to provide accommodation fit for services to work with their clients and customers. The indicative programme budget for this work was £10.4m.
5. Those initial proposals, together with the ongoing operational service reviews and the drive for localism in the way we deliver services, were the enabler to the campus strategy. This strategy places all of Wiltshire's operational estate 'in scope' for review and rationalisation by communities who will work with the Council to define the services they wish to receive at a local level.

6. The majority of those initial priority projects have been completed and Appendix A provides a recap of the proposals, an update on the projects and costs and the resulting improved outcomes.

Hub Offices

7. In October 2009 Cabinet approved the hub office programme based on the refurbishment of four existing offices and the closure of around 95 sub-offices. The hubs would later be supplemented by a network of drop in bases in community areas as part of the campus programme.
8. The programme was designed to deliver a fully modernised office estate within three and half years, as well as providing the infrastructure to maximise better service outcomes, such as improved ICT, 'work anywhere' telephony and the HR policies and procedures required to support managers and staff to work more flexibly.
9. One of the fundamental outputs required of the programme was to dispose of buildings thereby raising receipts and reducing running costs which would ultimately finance the programme. A separate paper on this agenda will look at disposals in more detail and highlight the alternative uses Members have agreed for some scheduled disposals.
10. Appendix B to this paper summarises the current position of the elements of the programme covered by the paper both financially and in terms of outcomes.

Depot Strategy

11. In February 2011 CCAC approved the Depot Facilities Strategy and Implementation Plan which would deliver a reduced and improved depot and salt store network across the County to better meet the operational needs of the service.
12. The plan also identified other council services, in addition to the core depot services, that could be accommodated within the new sites and that discussions were ongoing about their inclusion.
13. New salt stores have been completed at High Post, Marlborough and Royal Wootton Bassett and site sales have completed at Amesbury and Marlborough. Other site sales are in progress.
14. The capital programme currently includes a balance of £8.255m for 2012/13 to deliver the remainder of the plan, namely three new depots (including salt stores - North, South and central Wiltshire) and salt stores in Mere and Warminster.
15. Appendix C summarises the position on the depot strategy and recommends a revised approach.

ICT Programme

16. Since LGR in Wiltshire and the inception of the Transformation Programme over £14m has been, or is being, invested in information technology.

17. The essence of the approved Information Services Technology Plan is to ensure we have robust technologies, policies and procedures in place to allow all staff, partners, volunteers and residents to access relevant information where it is operationally necessary, without compromising our requirement to protect sensitive data and information.

18. Appendix D to this report summarises what has been invested and achieved.

Financial Summary

19. Project by project investment information which provides a detailed breakdown of the nature of each project and what it has achieved for services, our partners and our customers is included in the appendices.

20. The following table is a high level summary of the Transformation budget:

Workstream	Budget Approval £000	Transfers in/(out) £000	Revised Budget £000	Notes
Hub Programme	55,785	(5,500)	50,285	1
ICT	12,930	1,000	13,930	2
Operational Estate	10,400	(2,000)	8,400	3
Depots Review	13,552	-	13,552	
TOTAL	92,667	6,500	86,167	

Notes:

1. £3m from the indicative County Hall allocation was transferred into Campus Programme and £2.5m was returned back to the Corporate Programme following the decision to close Browfort.

2. The original indicative allocation for ICT relating to the Transformation Programme was increased by a revenue contribution from ICT as part of the insourcing of Steria. The subsequent increase is a result of reallocation of resource within the overall programme allocation to deliver the accelerated development of the infrastructure to support the wider Transformation Programme. This includes the closure of Browfort, the development and deployment of the Council's Sharepoint solution to support electronic document storage and management, provision of electronic meeting room technology and the Council's initial Cloud offering in line with the Information Services Technology Plan and CLT approvals.

3. £2m from the indicative Operational Estate allocation has been transferred to support the Campus Programme as any operational requirements will be now be addressed as part of any campus proposals/design.

General note: All programmes will be re-phased to reflect the current position & planned spending which will generate revenue savings.

21. The planned investment and actual spend on the programme is projected at just over £84m. This releases a £2m surplus from the programme. However, a separate funding approval will be required to complete the Melksham depot and those in the North and South of the county (subject to further review) and any risk elements associated with projects that are about to commence or that are in progress (for e.g. the Monkton Park project is still at the feasibility stage, County Hall (though the contract is let) is potential entering the 'riskier' phase two stage of works to the old building), are unlikely to be offset within the programme budget.

Environmental and Climate Change considerations

22. The rationalisation of our office estate has the potential to reduce our property related carbon emissions by 40% over the life of the programme, the most significant impact of this programme of work will be from 2013/14 when staff move back into the refurbished County Hall building and the Shurnhold offices close.

23. The Information Services Technology Plan aims to 'Green IT' by rolling out efficient devices and by decommissioning machines and data centres. The Depot programme has set a target of reducing estate related carbon emissions by 20% and this will be developed as part of the ongoing business case.

24. The initial projects developed for the operational estate programme, whilst not specifically designed to contribute to the carbon reduction programme, have all resulted in improved building design and specification which enhances the opportunity to make the estate more carbon efficient. Bourne Hill achieved a BREEAM excellent rating and we aim to achieve this for County Hall.

25. The effect of 'work anywhere' technology on staff behaviour and work patterns will need to be monitored in order to fully capture the non-estate related carbon benefits.

Equalities Impact of the Proposal

26. One of the principal aims of the programme was to address inequality in the standards of the Authority's estate. All building works have been undertaken to the new Part M of the Building Regulations and to the access standard BS8300, the highest standard of accessibility for individuals with restricted mobility. A dedicated access consultant works with the design teams where necessary. In line with policy, four suitable build projects have also included Changing Places toilets which are accessible to the public.

27. The network of working locations is designed to complement the Customer Access strategy.

28. On completion, County Hall will be fully accessible for the first time.

Risk Assessment

29. The programme, its management and its relationships with the wider organisation is well established. The programme continues to report to the Transformation Board and risk

management is a standing item. Several projects are either at the early stages of development or are entering a key phase where risk factors may increase but these continue to be monitored.

30. Regular reports are made to CCAC and the programme budget is monitored and reported via the Council's capital monitoring arrangements.

Legal Implications

31. For projects that are yet to be commissioned and implemented, legal advice needs to be sought at an early stage in any underlying transactions to ensure that decisions are made at the right level and in a timely fashion and that risks are minimised before contracts and arrangements need to be signed off.

Conclusion

32. Over the last 3 to 4 years the transformation of both the property estate and the technological infrastructure that supports the workforce, partners and communities has been unrivalled in any Local Authority. The initial phases of the programme are nearing conclusion and the wider benefits to the organisation are beginning to be counted.
33. The Council continues to work with the DCLG and others regarding the LGA sponsored Capital Assets Pathfinder and has hosted a meeting of this group at its Bourne Hill office.
34. The Council is currently working with the RSA in relation to its Campus programme and flagship community engagement model via the Community Operations Boards.

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2nd July 2012

Appendices:

Appendix A – Operational Estate update
Appendix B – Office Hub Programme update
Appendix C – Depot Facilities Strategy update
Appendix D – ICT Programme update