

CABINET

20 OCTOBER 2009

WORKPLACE TRANSFORMATION PROGRAMME

Executive Summary

1. In 2006, the then Wiltshire County Council approved an office rationalisation programme based on four hub locations. This programme was not implemented due to the move to One Council. During the transition to One Council, the Implementation Executive considered and approved various reports relating to Bourne Hill. As part of this, on 13th May 2009, the Implementation Executive considered a report and recommendations regarding the creation of a revised office rationalisation programme known as the Workplace Transformation Programme.
2. At this meeting, the Implementation Executive approved the expansion of the Workplace Transformation Programme to include the delivery of a rationalised office estate housed within four refurbished and redeveloped primary hubs, supported by 'touch down' facilities.
3. Members also asked that a comprehensive paper be brought to Cabinet to confirm the most appropriate timeline and budget for this programme. This has now been completed and includes the costs of implementing the revised ICT needed to support the significant increase in flexible working which is inherent within the programme. This revised time line and a budget comparison with the 'do nothing' option of continuing to support the existing estate provision are attached as Appendix 4 and Appendix 1a respectively.
4. The revised programme will 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. The net additional capital cost of the programme is £22.9 million which is inclusive of ICT costs. The programme will deliver total revenue savings over the next 25 years of £85.1 million and will remove a maintenance backlog for the existing office estate of £22 million.
5. The Climate Change Board has delegated responsibility for the achievement of carbon reduction requirements from the office estate and business mileage to the programme.
6. It is vital that the programme is able to proactively manage and ensure delivery of the savings identified. Inherent within this is the coordination and management of all staff moves within the council's estate. This will

ensure that the council is able to dispose of the properties that will become surplus through the programme appropriately and ensure that unnecessary expenditure on accommodation that will not form part of the council's on-going estate portfolio is avoided. This is also essential to ensure that costs associated with the relocation of some staff whilst the hub buildings are refurbished are kept to an absolute minimum.

7. Following the decision of the Implementation Executive in May, the Programme is already working closely with service departments. Several moves in support of the programme have already occurred and more are planned over the coming months. A series of large scale staff events regarding the programme have begun and one to one service engagement will commence from the end of October.
8. In recognition of the significant number of property disposals that are inherent to the programme (which have a current market value of £17.55 million) the Programme has developed a process to ensure local member and area board involvement in all asset disposals. This is attached as Appendix 3.
9. Whilst not within the attached budget framework, the programme has begun to work with internal colleagues and other public sector partners to explore opportunities for 'campus' style integrated delivery locations and the potential for shared meeting space and 'touch down' locations.
10. The build programme for Bourne Hill is progressing well and at this time is predicted to be completed ahead of schedule and within the budget approved by the Implementation Executive. In order to deliver the revised timeline for the wider programme, detailed work on the design and redevelopment of the County Hall needs to commence as soon as possible. Paragraph 36 of this report outlines the proposed design principles for this redevelopment.
11. The Workplace Transformation Programme is working closely with the major service transformation programmes across the council. This will help underpin the delivery of improved customer access and improved customer outcomes across the council's services. The proposals within this report will ensure that this approach continues and will provide greater clarity in terms of the overall timescale for the programme. This is essential if the programme is to continue to meet the needs of services and customers.

Proposal

12. Cabinet is asked to:

- a. Approve the revised budget and timeline for the Workplace Transformation Programme as identified in Appendices 1a, 1b, and 4 noting the impact of the programme in relation to the

revenue and capital budget requirements of the authority which will need to be addressed as part of the 2010/11 budget setting process.

- b. Confirm the responsibilities of the Workplace Transformation Programme Board as being those outlined in Appendix 2 and note that the remaining responsibilities of the Corporate Asset Board will in future be coordinated by the Corporate Programme Office working with Corporate Finance and the Service Director – Major Projects.
- c. Approve the following design requirements for the refurbished County Hall Campus:-
 - i. That it should be based on the same office design principles as Bourne Hill – namely one of maximum flexibility within an open planned working environment and an average desk to staff ratio of 2 : 3
 - ii. That the council chamber should not be refurbished, but should have its audio and visual equipment upgraded and ventilation improved.
 - iii. That the committee rooms should only be refurbished where this is necessary to increase their suitability for wider meeting space use
 - iv. That a revised café style customer and staff restaurant / canteen facility should be incorporated on the ground floor and be directly linked to a revised Customer Access facility.
 - v. That the refurbishment of County Hall should include the re-provision of the Trowbridge Library and reference library, subject to member approval of the final designs for this.
 - vi. That the Conference and Development Centre will not necessarily form part of the refurbished County Hall campus and re-provision of this facility will be dependant on the future needs of the service.
 - vii. That the refurbishment should be undertaken in such a way as to maximise the opportunity for partner collocation and minimise the environmental impact of the building.
- d. Approve that the outline process outlined in Appendix 3 should apply to all asset disposals made by the authority.
- e. Consider if, as part of the asset disposal process, they wish to delegate the required member approval for assets of up to £500,000 to the Cabinet Member for Property or if all disposals should require Cabinet approval.

- f. Note the work that the programme is undertaking in relation to the development of 'campus' style provision and confirm that this should continue, noting that a future paper will be prepared for cabinet regarding the potential costs and savings from such an approach.
- g. Confirm that, in line with national best practice in asset management, all council estate should be managed as a corporate resource via the Strategic Property Services Team.
- h. Note the role of the programme in relation to the reduction of the councils Carbon footprint linked to office accommodation and business travel

Reason for Proposals

- 13. To obtain Cabinet approval for the Workplace Transformation Programme including the revised timeline and budget that has been developed following feedback from, and discussion with, the authorities major customer facing services noting that the programme is significantly more than self financing over the 25 year period and the cash flow projections attached as Appendix 1a and 1b.
- 14. To ask Cabinet to confirm its support of the governance and reporting lines for this programme being via the Workplace Transformation Programme Board, which includes a UNISON representative. The broad areas of responsibility for this Board are identified in Appendix 2. These are fully in line with the previous decision taken by the Implementation Executive and have the support of the Cabinet Member for Resources and the Cabinet Member for Property, both of whom are members of the Board.
- 15. To seek Cabinet approval of the principles that will underpin the redevelopment of County Hall so that nugatory work and expenditure is minimised and the project workstream for this aspect of the programme can commence.
- 16. To confirm how Cabinet wish local members and Area Boards to be engaged in the decision making process for all future disposals of surplus assets by the authority and ask Cabinet to consider the outline process attached as Appendix 3 to address this.
- 17. In order to reflect the on-going disposal process that will occur Cabinet are also asked to consider whether they wish to commission the necessary work required to amend the council's policies and procedures to enable the Cabinet Member for Property to have delegated authority to approve disposals of up to £500,000 in value where the process illustrated in Appendix 3 has been followed.
- 18. To ask Cabinet to note the early work by the programme on identifying opportunities for campus based solutions and to approve the continuation

of this work as Cabinet's preferred method for identifying opportunities for future campus based delivery and that this falls under the remit of the Workplace Transformation Programme Board and that it will developed a fully costed model for this approach.

19. To seek Cabinet approval for the continuation of the engagement that the programme has had with other public sector partners in relation to exploring opportunities for shared estate usage and collocation.
20. To confirm that Cabinet support the stance taken by the Implementation Executive regarding the co-ordination of all property as a corporate resource under Strategic Property Services, noting the excellent early work between this programme and the Leisure Review and the need to urgently take forward work with Learning Disability Services.
21. To ask that Cabinet confirm the previous view of the Implementation Executive that all property assets of the council should be treated as a corporate resource administered by Strategic Property Services.

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Corporate Director – Resources

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WORKPLACE TRANSFORMATION PROGRAMME

Background – Workplace Transformation Programme

1. In 2006 the then County Council confirmed that it would seek to develop a 'hub' model for its services using four primary office locations or 'hubs'. This programme was never fully developed due to the move towards One Council.
2. On a similar timeline, Salisbury District Council was developing its own proposal for the redevelopment of Bourne Hill and this programme continued through-out the move to One Council with responsibility transferring to the Implementation Executive and staff of Wiltshire County Council in January 2009, which coincided with a wider property review undertaken during the transition programme.
3. On the 13th May 2009 the Implementation Executive considered a joint report by the Corporate Director – Resources and Corporate Director - Transport, Environment and Leisure to commence the Workplace Transformation Programme (including completion of Bourne Hill). This approval included the consolidation of the councils' office estate onto four refurbished and redeveloped primary hubs (County Hall, Monkton Park, Browfort and Bourne Hill) and the disposal of all properties released by this approach to contribute towards the funding of the programme.
4. This approval followed a detailed review and consideration of four options to address the outstanding issues with the new Council's office estate which are the time were identified as:-
 - i. A backlog of £22million in essential office related repairs and maintenance
 - ii. A general lack of suitability of much of the office estate
 - iii. High running costs in terms of utilities and ICT support to many of the older buildings, but also to County Hall.
 - iv. A duplication of office estate in many areas following the creation of Wiltshire Council.
 - v. The need to meet Carbon reduction targets
 - vi. The need to ensure our estate and ICT platforms can support the wider transformation of service delivery and customer access occurring across the council – which they currently do not.
 - vii. The need to enhance and improve the ability of our staff to work flexibly and in the ways that best respond to customer need

- viii. The need to deliver on the One Council proposals to rationalise and improve the council's estate and provide a sustainable platform for future service delivery.
5. At the time of this approval, members of the Implementation Executive were advised that in addition to Bourne Hill the programme would require a net additional capital investment of £24.7million, would be completed by 2015 and would save a revenue sum of £27.5 million over twenty five years, although this do not allow for full repayment of the capital borrowing.
 6. However, members asked that the Workplace Transformation Board (who are responsible for the over all Programme) review the budget and proposals to ensure that they were fully supportive of the developing service transformation programmes and to bring a revised paper to Cabinet once this had been completed.
 7. These revised proposals developed by the Workplace Transformation Programme will require net additional capital investment of £22.9 million, will be completed within three and a half years and will save net revenue sum of £85.1 million over 25 years. A draft of the revised programme build timeline is attached as Appendix 4.
 8. These savings are additional to the complete repayment of the capital borrowing and the associated revenue costs of delivering the programme.
 9. The shortening of the timescales for delivery, whilst increasing the speed of which savings are realised, was primarily identified as necessary to ensure that the Workplace Transformation Programme was able to respond to the needs of the various service transformation programmes across the authority. Without this realignment of timescales, it is unlikely that key service delivery transformations, such as FOCUS, the DCE service reconfiguration, the Leisure Review, the redesign of Public Protection and full maximisation of the opportunity represented by the Shared Services Team could be achieved to the extent that is planned or be delivered in the most cost efficient manner.
 10. Additionally, work with the Climate Change Board and the councils' Head of Climate Change has identified that the programme offered significant benefits to the councils Carbon reduction approach and that if addressed within the revised timeframe those elements relating to work place travel, parking and building use could be achieved at virtually nil additional programme and capital costs.
 11. Members also asked that this subsequent paper highlighted the governance responsibilities of the Workplace Transformation Board and maximised the linkages between office estate and estate which had traditionally been seen as 'operational' to ensure that a more holistic approach was taken.
 12. Work has been undertaken to achieve this, including informal consultation with several members of Cabinet, and the attached governance charts reflect these consultations, the requirements of the nationally recognised Managing Successful Programmes (MSP) approach to programme management used across the council and the financial regulations of the council.

Background – Redevelopment of County Hall

13. As can be seen from Appendix 4, the most time consuming element of the Workplace Transformation Programme is linked to the refurbishment of County Hall.
14. Assuming that Cabinet confirm the approval of the revised budget and timeline a specific project workstream for the physical refurbishment of County Hall will commence immediately. This project will build on the considerable work that has previously been undertaken in relation to County Hall and will include provision for a new Library facility for Trowbridge to replace that envisaged as part of the Waterside development proposals.
15. The outline assumptions that will underpin the refurbishment of County Hall are:-
 - i. It will be based on the same office design principles as Bourne Hill – namely one of maximum flexibility within an open planned working environment and an average desk to staff ratio of 2 : 3
 - ii. That the council chamber itself will not be refurbished, but will have its audio and visual equipment upgraded and ventilation improved.
 - iii. That the committee rooms will only be refurbished where this is necessary to increase their suitability for wider meeting space use
 - iv. A revised café style customer and staff restaurant / canteen facility will be incorporated on the ground floor and be directly linked to a revised Customer Access facility.
 - v. That the refurbishment of County Hall should include the re-provision of the Trowbridge Library and reference library, subject to member approval of the final designs for this.
 - vi. That the Conference and Development Centre will not necessarily form part of the refurbished County Hall campus and re-provision of this facility will be dependant on the future needs of the service.
 - vii. That it should be undertaken in such a way as to maximise the opportunity for partner collocation.

Background – Disposal Process

16. When the Implementation Executive approved the rationalisation of the council's office estate to four main hub locations it also approved the disposal of all properties that became vacant or 'surplus' through this programme.

17. The Workplace Transformation Programme Board identified that it wished to ensure that the local member and Area Board were fully involved within the disposals process, recognising that the standing orders of the council do not permit the decision on whether a disposal should or should not occur to be taken outside of Cabinet.
18. A rapid scrutiny exercise occurred on the proposal developed by the Workplace Transformation Programme Board and it has been amended to reflect the views of scrutiny as far as possible.
19. The key element of the process is that it provides a formal opportunity for the involvement of the local member and Area Board in all property disposals and identifies a mechanism by which these can be considered by Cabinet.
20. Consideration by Cabinet or the Cabinet Member is essential as in many cases any alternative use will need to include identification of alternative funding streams or savings. The majority of disposals undertaken directly contribute towards the wider Capital Programme of the council and retention will invariably lead to the authority incurring additional revenue costs.

Background – Campus or Integrated Delivery Locations

21. As part of developing the Workplace Transformation Programme work has occurred with officers and members undertaking the Leisure Services Review, the Learning Disability Services Review and other developing programmes such as the transformation programme within DCE, the Customer Access programme and officers within Libraries Services.
22. It is clear from these discussions, and from conversations with members, that we need to approach the potential for collocated 'campuses' that combine service delivery and customer access with opportunities for touch down and remote working offices from a joined up perspective, especially if we are to maximise the links with other public sector partners such as NHS Wiltshire and Wiltshire Police.
23. Early contact with our external partners has been positive and a series of meetings will commence shortly to look at the opportunities and barriers to a significant increase in collocation. The potential difficulties include the requirements of the latest national information security standards but a clear potential opportunity exists for shared touch down and meeting spaces.
24. It is proposed that, rather than approaching the identification of potential 'campus' opportunities and locations based on the historic footprint of our estate – much of which is no longer located where our current and future customers live – the Customer Access Programme is asked to develop proposals that are based on their current analysis of our existing customer demand and the use of Mosaic data, a specialised demographic data analysis tool.
25. Alongside this, it is recognised that the Workplace Transformation Programme Board will explore and identify other potential sites through their direct involvement with the provision of the estate needs of other services (such as Leisure) and links with the schools building programme. However,

the work of the Customer Access Programme will allow these to be analysed from a basis of strategic need rather than developing an approach that potentially increases investment in the wrong placed based simply on historical locations.

26. Whilst substantial additional capital funding and staff resource (notably within Strategic Property Services) would be required to deliver a full 'campus' workstream within the programme, early work with Leisure Services, the Learning Disability Review and Youth Services has identified significant opportunities for increased provision of multi-use buildings and the Workplace Transformation Programme Board has prioritised working with these services to maximise both value for money and service transformation opportunities.
27. If members approve the recommendations contained within this report regarding the development of a 'campus' workstream within the Workplace Transformation Programme, then a further paper will be brought to a future Cabinet regarding this cost. In the interim period the programme will work jointly with key service areas to develop appropriate capital bids to ensure early progress in relation to this objective, using the Workplace Transformation Programme structure to provide appropriate governance for this work.
28. A key area where early opportunities have been developed for campus style delivery options is the area of Learning Disabilities Day Services who have been working along side Leisure and Youth Services and members of the programme team to explore opportunities in Chippenham. Currently, a feasibility study is being undertaken that will address the long standing commitment by members to replace the existing Middlefield premises.
29. The Programme Board will be considering the feasibility study at it's meeting in early November and early indications are that a further Cabinet paper will need to be brought forward regarding this matter after than meeting to secure appropriate funding for this initial campus development that would also provide the opportunity for the realisation of a significant capital receipt that exceeds the cost of re-provision and reduction in service operating costs.

Main Considerations for the Council

30. The revised Workplace Transformation Programme will provide a joined up approach to estates management across the authority at the same time as rationalising our office estate and delivering modernised, sustainable and fit for purpose estate for both customers and staff, maximising the opportunities for collocation in line with the ambitions of the Council to deliver Unitary Plus and the 'Total Place' agenda.
31. The modernised estate platform will deliver significant annual revenue savings that total £85.1 million over a twenty five year period. The programme will also provide an opportunity to significantly reduce carbon emissions associated with office provision over the next three years.

32. The Workplace Transformation Programme will achieve the revenue savings outlined above in addition to meeting the full capital cost of the programme, including those costs associated with capital borrowing.
33. A surplus asset that is not disposed of will represent a loss of capital receipt to the authority and could incur additional revenue expenditure it is important to emphasise that the proposed budget assumes that all surplus properties will be disposed of and any retained will affect delivery of the savings.
34. The programme will also 'remove' a current maintenance backlog across the existing office estate of £22 million pounds.
35. The Workplace Transformation Programme has been identified as a key enabler to wider service specific transformation programmes such as FOCUS, the DCE restructure, the Climate Change programme and others and the revised timeline has been developed in conjunction with these programmes.
36. The governance of the programme will remain under the previously approved Workplace Transformation Programme Board and the lead CLT member with corporate responsibility is the Corporate Director – Resources. The model of governance used within the programme is the nationally recognise MSP based approach which is used across the public sector. This is fully consistent with the governance approach used in all other major change programmes across the authority and provides clear and direct lines of accountability both to the lead CLT member and the Cabinet Member for Resources who has responsibility for the programme on behalf of Cabinet.
37. The proposed programme identifies the need for one off ICT investment in technology of £8.3 million above that which would be required to maintain existing levels of ICT delivery and performance. This investment includes the cost of moving from desk top PCs to lap top provision for all staff to increase mobility and flexible working opportunities. It also includes the introduction to retained estate of the technology required to provide 'work anywhere' telephony, applications and data for members and staff.
38. The programme assumes that up to 2,000 staff and councillors will need to work securely and reliably from their own homes in terms of telephony, applications and data. It includes the introduction of a completely new solution to the current, widely criticised, home working solution. The aim of the new solution will be improved ease of use, improved reliability and greater support availability.
39. There will be a requirement for additional Steria 'field' support to home workers but the exact support costs have yet to be negotiated for the transformed estate. The quantum of these costs will depend on the level of support service we require and will be commercially sensitive.
40. The implementation costs for this area will be met through existing Steria contract provision for 'projects' and the ICT programme budget (as it is this kind of transformational work that it was always intended for), although an

allowance for it has been made within the over all workplace transformation programme budget during the initial stages of the programme.

Update on Key Activities since IE Approval

41. Since the initial approval by the Implementation Executive, the following activity has occurred:

- i. Bourne Hill has been 'topped out' and will be completed slightly ahead of schedule. Current projections are that it will also be completed within the revised budget set by IE.
- ii. The Wiltshire Climate Change Board has agreed to delegate to the programme responsibility for the achievement of the office and staff travel related Carbon reduction requirements of the authority.
- iii. A dedicated member of the finance team has worked with colleagues in strategic property to review and revise the programme budget to ensure that it reflects the most up to date costs and allows for the complete repayment of the capital sums and interest charges necessary to deliver the programme.
- iv. Each Corporate Director has identified a key lead officer for the programme, and these have been actively involved in developing the revised programme timeline to ensure that it supports and underpins the service transformation programmes within their areas.
- v. The Programme Board has met and reviewed progress across the programme and Bourne Hill in particular.
- vi. The Programme Board has approved the addition of Cllr Sturgis to the Board and also Iain Kirby, the FOCUS Programme Lead.
- vii. Both ICT and HR have identified specific lead officers who will work full time on the Workplace Transformation Programme, as the Head of Strategic Property Services whose service area is key to delivery of the wider programme.
- viii. Overview and Scrutiny have confirmed the creation of a specific Scrutiny task group for the programme.
- ix. A series of large scale initial engagement events with both staff and managers across the County have commenced – so far over five hundred staff have attended these and the programme will shortly commence direct engagement with individual service areas.
- x. Proposals have been agreed with the Cabinet Member for the Workplace Transformation Programme (Cllr Noeken) and Property (Cllr Sturgis) that clarify the responsibilities of the Workplace Transformation Programme Board which are attached as Appendix 2.

- xi. As part of this process, Cllr Sturgis has recommended that the Capital Asset Board is abolished and that its remaining functions are transferred to the stewardship of the Corporate Programme Office working in conjunction with Corporate Finance and the Service Director – Major Projects to continue to provide a suitable environment for the development and prioritisation of the wider capital programme and the monitoring and reporting of items such as Section 106 agreements to CLT and Cabinet.
- xii. ICT costs have been identified and added into the proposed budget and include the cost of providing and supporting COCO (the latest government information security standard) compliant home Broadband for up to 2,000 staff. (This does not mean we will have 2,000 home based staff but does mean that up to 2,000 will be *able* to work from home flexibly. This is essential if we are to be able to deliver many of the transformation programmes within service departments, yet is not currently funded elsewhere in the Council's transformation programmes).

Environmental Impact of the Proposal

- 42. There are significant environmental impacts to the Workplace Transformation Programme. The move from around 90 offices to four major hubs will significantly reduce the over all Carbon footprint of council in relation to its offices and the programme will, at virtually no additional costs to the council, deliver sustainable reductions in mainstream utilities usage.
- 43. Whilst detailed work will be undertaken on a property by property basis, office based gas and electricity usage will both reduce by around 40% over the three and a half years of the programme. This reduction will be further enhanced by the fitting of smart meters to all retained office estate. This will help ensure that utility usage is minimised and that we no longer need make payments that are based on estimated usage.
- 44. Further, as yet un-quantified, Carbon reductions will be achieved through the provision of enhanced ICT and telephony solutions to provide better flexible working and ICT based conferencing facilities.
- 45. The reduction in overall office estate, and the focus on larger more environmentally sustainable hub buildings will also increase the opportunities for the authority to explore an increase in renewal energy schemes for these buildings.
- 46. The refurbishment programme itself will also focus on ensuring that environmental sustainability is maximised and environmental impact is minimised and that where ever possible low energy use solutions are adopted.
- 47. Whilst the programme does envisage an increased opportunity for home working, a recent report by the Smith Institute looking at a wide number of existing reviews found that home working had, at worse, a neutral effect on an organisation's Carbon Footprint, but could offer significant gains. A key

element of the programme will be to offer support and advice on home energy efficiency to all staff who are supported to work more flexibly and wish to take this option up.

Equalities Impact of the Proposal

48. A key element of the Workplace Transformation Programme will be to address the access inequalities inherent in some of existing office estate and the timetabling of the programme will do all it can to ensure any inequalities within our current office estate or working practices are addressed as a priority.
49. The reduction in overall delivery timescales for the programme will significantly reduce the risk of a customer or staff member being disadvantaged in terms of their office or flexible working options based on geography. This risk is inherent in all phased programmes, but is less significant within the revised timescales proposed within this report.

Risk Assessment

50. The current maintenance backlog across the office estate is £22 million and the current location and condition of the office estate is not supportive of the wider aims and objectives of the council. Without the Workplace Transformation Programme, the office estate would remain in an unsuitable condition and the savings identified would not be achievable.
51. Were the programme not to proceed, the authority would need to develop alternative proposals to modernise its office estate and ICT platforms and the accommodation requirements of many of the existing service transformation programmes would not be able to be met.
52. As with all programmes, in order to achieve success, robust management and oversight is required. The Workplace Transformation Programme Board has already met and is in place. It will use recognised programme management approaches and will be chaired by the Corporate Director – Resources who is the lead officer for the programme. To provide full visibility to cabinet throughout the programme, the Cabinet Member for Resources and the Cabinet Member for Property are on the programme board and regular reports will be made to Cabinet.
53. Overview and Scrutiny have created a specific task group for the programme and it is envisaged that this will meet throughout the three and half years of the programme. The first meeting of this group will be in October, although a rapid scrutiny exercise has already been held.
54. The creation of a full programme and operational budget covering all properties affected by the programme has been identified by Corporate Finance as being essential to manage and mitigate the risks associated with

the savings identified within the programme. This will occur immediately following Cabinet approval of the programme.

55. The programme has key HR, ICT and Finance dependencies and dedicated support in all of these areas has been identified and is now in place as part of the management of risk in these areas. The relevant Service Directors are actively involved within the programme and detailed work has occurred to determine the associated costs in these areas.

Financial Implications

56. The savings that will be released by this programme significantly exceed those identified as being required by property within the One Council proposal and the revised programme and timeline approved by the Implementation Executive on 13th May.
57. The timing of these savings is, however, different to those initially envisaged by the One Council submission, primarily due to the impact of Bourne Hill that was previously identified to the Implementation Executive.
58. This programme requires significant additional capital borrowing of £22.9 million, as can be seen from Appendix 1a. The savings identified over 25 years of £85.1 million are net of the cost of repayment of the total capital sum and interest charges.
59. As with all Invest to Save proposals it is vital that the savings are achieved and that these are closely monitored and reinvested via the corporate budget process rather than on an add hoc basis. In order to ensure delivery of the identified savings it is important that all future staff moves within the council's office and administrative estate also fall under the stewardship of this programme.
60. Therefore, following Cabinet today, a full programme budget structure will be put in place to ensure that the Workplace Transformation Programme Board and the responsible officer for the programme, the Corporate Director – Resources, are able to manage, monitor and deliver achievement of the savings identified through-out the life of the programme.
61. The Programme will have net revenue costs of £520,478 in 2010-11 and a further £233,727 in 2011-12, before net revenue savings are realised in subsequent years. These additional costs will need to be incorporated as part of the revenue budget considerations for both years and the impact of the programmes costs and savings on the Capital Programme for 2010 - 11 and future years, as well as the Treasury Management Strategy, will need to be considered and addressed as part of developing the councils budget for 2010/11.
62. The savings will need to be centrally collated and monitored to ensure they are fully realised and the cost of borrowing is covered. Similarly the relevant capital receipts need to be ring-fenced to the project. These proposals do not incur additional expenditure in 09/10 beyond that already approved via the Implementation Executive.

63. Relevant Property Officers have confirmed that the assumptions underpinning the projected savings from the rationalisation of properties are robust. Similarly ICT costs have been confirmed by relevant ICT Officers. As a result the business case is financially robust against the identified programme costs and savings.

Legal Implications

64. None identified at this time, although the output of the parking and business travel work steams within the programme will potentially feed into the Harmonisation process.

65. The provision of fit for purpose accommodation and business support tools is a reasonable requirement placed on all employers. This programme will ensure that these are provided.

Options Considered

66. A range of detailed options to address office refurbishment and rationalisation were considered as part of the original proposals developed in 2006 and were also presented to the Implementation Executive on 13th May 2009. This analysis was supported by MACE, a company with significant experience of undertaking such evaluations and the approval from the Implementation Executive was based on this analysis. The option to rationalise to four main hub locations represented the best value business case in terms of achieving long term savings and meeting the predicted accommodation needs of the authority.

67. The revised time line and budget outlined in this report is based on enhancing the approved proposal to better meet the transformation needs of the business. This revised approach will increase the over all revenue savings that will be achieved by the programme. Additionally, it ensures that full repayment of capital and borrowing costs are met within the over programme budget.

Conclusions

68. The conclusions reached having taken all of the above into account are to recommend the programme to Cabinet in full and ask that it endorses the proposals made within this report.

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Date of report: 2nd October 2009

Background Papers

No unpublished papers have been relied on in the preparation of this report but various papers relating to the funding of Bourne Hill and the previous Wiltshire County Council hub strategy have been referred to.

The most recent previous reports that are relevant to this paper are:-

Wiltshire Council 'Workplace Transformation Programme', report to the Implementation Executive on 13th May.

Wiltshire Council 'Funding of the Increased Cost of the Bourne Hill Office Project', report to the Implementation Executive on 13th May.

Appendices

Appendix 1a – Budget comparison of the baseline 'do nothing' position with the Workplace Transformation Programme.

Appendix 1b – Revenue impact assessment over 6 years.

Appendix 2 – Responsibilities of the Workplace Transformation Programme and Board

Appendix 3 – Proposed involvement of local members and Area Boards within the disposals process.

Appendix 4 – Revised programme timetable for the Workplace Transformation Programme
