

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Efficiency Panel
Date:	21 July 2010
Title:	Scope of Office Accommodation Efficiency Savings (Hampshire Workstyle)
Reference:	1763
Report From:	Director of Property, Business, Regulatory Services & IT

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1. Executive Summary

- 1.1. The purpose of this paper is to outline the scope of the strategic review of office accommodation, known as Workstyle. The report identifies the anticipated efficiencies, both cashable and non-cashable together with the benefits.

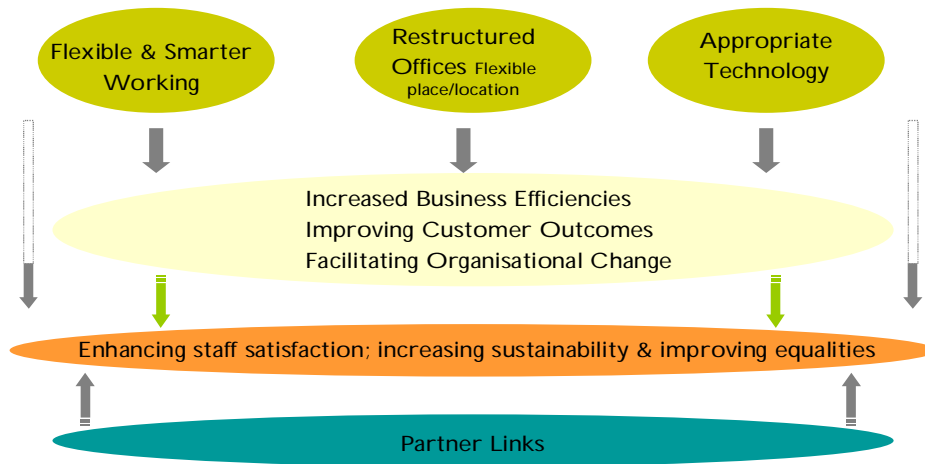
2. Overview of office accommodation

- 2.1. The cost of providing the current portfolio of County Council offices, both leasehold and freehold is £6 million. Future maintenance liabilities are estimated at between £4.2 million to £6.8 million. Approximately 6,000 staff work in these buildings. Appendix C contains the detail of the buildings in scope.
- 2.2. The County Council's staff also occupy a range of operational buildings and shared spaces, with Districts for example, which are not included in the above figures. However, where opportunities arise, as part of the work in Havant for example, they are pursued.

3. Project vision

- 3.1. Transforming our existing workplaces into a modern, flexible office portfolio, whilst introducing new ways of working. Providing the opportunity to generate efficiencies, deliver better services, improve corporate performance and enable greater collaboration and networking with partner agencies. The following diagram illustrates the main components.

Hampshire Workstyle Programme



Delivering Effective use of Resources

4. Progress to date

4.1. In January 2010, Cabinet approved the next phases of Workstyle as shown in the table below. The savings identified represent the latest assessments and further work is being done in each case.

Phase	Estimated annual revenue savings £'000	IT savings £'000	Backlog maintenance avoidance £'000
Havant	70	30	2,000
Winchester Phase 2	500	50	250
Eastleigh	200	30	500
Total	770	110	2,750

4.2. Further efficiencies will be possible through the delivery of Facilities Management (FM) and provision of drop-in locations. The potential also exists to look at consolidating and rationalising functions between departments and other partners. The Panel may want to consider these opportunities at a future meeting, particularly as they relate to possible asset

management efficiencies in the areas of utilisation, cost avoidance and reinvestment capacity.

- 4.3. The next phase currently being scoped is Basingstoke which will be followed by Rushmoor, East Hampshire, Test Valley Borough Council and New Forest (the Ringwood Gateway). During the current and future phases opportunities to work with and share accommodation with other public sector (including voluntary) organisations will be actively developed.
- 4.4. The performance targets that have been established for the Workstyle programme overall are as follows :

WORKSTYLE PERFORMANCE	TARGETS
Target Area	Target Measure
Reduction in gross floor area	-25 – 30%
Reduction in office running costs	-15%
Increased space utilisation	+25 – 30%
Target gross floor area reduction per person	- 4 sqm
Reduced storage footprint in prime office space	- 50%
Planned carbon reduction for buildings in scope	- 35-40%
Reduced maintenance backlog liability per sqm	- £500 to -£800 per sqm on average
Reduction in desktop PC's and terminals	-15 to 20%
Reduction in printed output	- 10 to 15%
Reduction in local business mileage per head	No target yet agreed but this is very clearly in scope

5. Funding

- 5.1. Increasing building occupancy and utilisation requires capital investment. Overall, the strategy will be self-funding through the application of capital receipts generated through the disposal of surplus offices and relinquished leases. Some prudential borrowing will be necessary in order to fund upfront costs in advance of receipts.
- 5.2. The project team has been supported through the redeployment of existing resources and invest to save funding.

6. A Workstyle Example

- 6.1. The project in Eastleigh referred to above will deliver all of the benefits outlined in paragraph 4.4, will commence in September and be delivered for local staff and clients by January 2011. The project will consolidate a range of buildings and functions, bring some 30 staff into new flexible office space, and enable the following key benchmarks to be achieved :
- Office floor area reduced – **33%**
 - Reduction in desktops – **32%**
 - Reduction in printer/copiers – **70%**

- Carbon reductions – **35%**
- Reduced space per head – **15%**
- Reduced property costs per head – **20.5% (-£387)**
- Workstations recycled – **100%**

6.2. This project will also deliver improved customer access facilities and enable other efficiencies for example reduced expenditure on the hire of public access facilities (estimated at £15,000 pa), and reduced travel costs and time.

7. Recommendation(s)

7.1. That the efficiencies now being delivered through Hampshire Workstyle be noted and further work be undertaken with departments and partners to analyse the potential for greater asset management and service efficiency gains.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 Race and equality impact assessments have been considered in the development of the proposals contained in this report. As part of the Workstyle programme, and particularly in the work targeted at improving community access to services and outcomes, these issues will be kept under constant review.

2. Impact on Crime and Disorder:

- 2.1 The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report will contribute to the creation of safer communities in a number of ways. The potential for reduction in crime and disorder will be exploited wherever possible in the Workstyle programme.

3. Climate Change:

- 3.1 Key issues here are that the programme will:
- Reduce staff travel
 - Reduce emissions from, and consumption of raw materials by, IT peripherals (e.g. printers)
 - Enhance the energy efficiency of our corporate building stock
- 3.2 The programme will be developed to ensure that flexible working arrangements enable staff to provide services in the most efficient manner to a changing customer base without the need for ad hoc office accommodation capacity and unplanned infrastructure changes as has been the case hitherto. This will feed significantly and positively into the need to adapt to change both operational and in terms of the climate impacts.

Workstyle Office Building in Scope - Appendix C

	Building		Main Occupier	Running Costs
Eastleigh	B282E	Eastleigh, Eastleigh House	HR	50,827
	B282F	Colden Common, 1 Wessex Way	CSD	89,059
	B282G	Eastleigh - 101 Leigh Road / Swan Centre	Registration	10,600
	-	Eastleigh Enterprise Centre	CSD	6,000
	B282J	Eastleigh - Russell House	ASD/CSD	45,743
	B282S	Eatleigh, Rookwood	CSD	53,480
	B282T	Enterprise House, Eastleigh	CSD	27,490
				283,199
Winchester	B292C	Clarendon Hse Cent Div Educ Of	CSD	107,327
	B292F	Falcon House Clarendon Site	CSD	41,771
	B3110	Monument House 5 Upper High St	Environment	119,858
	B3140	S.W. Inn ; Register Office	Registration	21,261
	B3160	Winchester Capital House	ASD/Environment	157,404
	B3220	St Thomas Centre	Non HCC organisations	56,885
	B3280	Montgomery House, Winchester	PBRS	66,583
	B3290	Moorside Place, Winchester	CCRA	160,620
	B3000	Castle Avenue	Corp libraries, Environment and Emergency Planning	170,083
	B3010	Castle Hill	PBRS	99,594
	B3030	Elizabeth II Court - South	PBRSIT, Chief Execs, Treasurers,	471,363
	B3060	Castle Yard		14,607
	B3080	Three Minsters House	PBRSIT	149,891
	B3180	Mottisfont Court Winchester	PBRS, CCRA	158,862
	B3210	Serles House	Chief Execs	32,696
	B3240	Aquitaine House	PBRS, CSD, HR	51,285
	B3260	Westgate Chambers	Registration	95,994
	B3300	South Side Offices	Environment, CCRA, PBRS, Non HCC org	60,079
	B3330	Athelstan House, Winchester	PBRS and HR	209,226
	B3390	Regency House, Winchester	HR	118,768
				2,364,157
Havant	B285A	Havant - Town End House	ASD	65,049
	B285C	FernglenTown Hall RoadHavant	Registration	4,425
	B285D	Se Ed Office Fmr Oak Park Sch	CSD	82,856
				152,330
Basingstoke	BHW07	Sun Alliance House, Basingstoke	Environment, PBRS, ASD, CSD, Non HCC org	405,816
	BHW09	Cliddesden Road, Basingstoke	CSD	19,898
	BHW10	Culver Road, Basingstoke	CSD	28,787
	BHW11	Aldworth Sci Coll Offices, Basingstoke	CSD	14,735
	BHW12	South View Jnr Sch Offices, Basingstoke	CSD	4,000

Integral Appendix B

	B281G	Goldings London Rd Basingstoke	Registration	115,466
				588,702
South East (Fareham & Gosport)	B282A	Bishops Waltham - Bank House	Registration	10,889
	B283B	Fareham - Library Osborn Road	ASD	9,575
	B283D	Fareham - 4/8 Osborn Rd	Registration	19,359
	B283E	Fareham - Parkway Wickham Rd	CSD, Hantsdirect	488,750
	B283H	84-98 Southampton Rd Eastleigh	ASD, HR, Treasurers	485,940
	B284H	Gosport - Town Hall High St	Registration	3,683
	B284K	Gosport 133 Stoke Road	ASD	105,781
	B284P	Fareham Reach, Gosport	Duplication!	40,000
				1,163,978
West (Romsey & Test Valley)	B281C	Andover Chantry Hse Chantry Wy	ASD	145,212
	B281E	Andover Second Computer Suite	Vacant	150,143
	B281F	Andover-Wessex ChambSouth St	Registration	28,078
	B285P	Hythe - West Shore House	ASD	58,639
	B286F	Lymington - Avenue Road	Registration	69,385
	B287T	Ringwood - Public Offices	Registration	17,868
	B288H	Romsey - Hayter House	Registration	18,468
	B288L	Old Magistrates CourtRomsey	ASD	60,335
	B288X	Totton Community Centre	?? Register Office is in Civic Centre	2,490
	B291X	Bartley Middle	CSD	37,891
				588,510
East Hants	BHW17	The Old College, Petersfield	Environment & Registration	42,406
	BHW18	Tilbrook House, Petersfield	ASD	42,263
	BHW21	Park House, Alton	ASD	106,418
	B280M	Alton - 4 Queens Road	Registration	26,836
	B280Q	Alton - Health Ctre Ansley Rd	CSD	3,244
				221,168
Hart & Rushmoor	BHW01	Old Town Hall Aldershot	ASD, Registration	55,167
	BHW02	Grosvenor Road, Aldershot	ASD	41,216
	BHW04	Cambridge Road, Aldershot	CSD	77,291
	BHW08	Bolton Crescent, Aldershot	CSD	22,398
	BHW24	Birch House, Fleet	CSD	382,521
				578,591
				5,940,636

Breakdown of Floor Area ablove : Rental Floor Area
Non Rental Floor
Area

Estimate of Backlog saving on non rental
space

Assume reduction of 25% floor area

Saving at £500 per M ²
Saving at £800 per

