

Report To: Environment and Regeneration Committee Date : 30 August 2012

**Report By: Corporate Director Environment,
Regeneration & Resources**

Report No: R256/12/AF/AG

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Subject: Office Rationalisation Programme - Update

1.0 PURPOSE

- 1.1 The purpose of this report is to advise Committee on progress with the Council's Office Rationalisation Programme

2.0 SUMMARY

- 2.1 The Regeneration Committee at its meeting of 21st September 2010 approved proposals for the Rationalisation of the Council's Office Accommodation.
- 2.2 The Office Rationalisation programme is part of a wider programme to modernise the Council's operations and working practices which include initiatives such as mobile and flexible working, electronic document management and greater use of technology. As a result the proposals for Office Rationalisation assume that fewer desks than employees are to be provided.
- 2.3 The programme of works is progressing well, with some projects complete, some on site and some at the design stage.

3.0 RECOMMENDATION

- 3.1 It is recommended that Committee note the contents of this report and note that a detailed update including a revised Financial Model will be presented to the next meeting of the Committee.
- 3.2 It is recommended that Committee approve the inclusion of a project to refurbish the former Banking Hall as part of the redevelopment of the Greenock Municipal Buildings, to be funded from the allowance for Greenock Municipal Buildings contained within the Environment and Regeneration Capital Programme, together with approval to issue Tenders and delegated authority to the Head of Legal and Democratic Services to accept the lowest acceptable tender, provided it is within the approved budget.

Andrew Gerrard
Head of Property Assets and Facilities Management

4.0 BACKGROUND

4.1 At September 2010 when the proposals were approved the Council had 1014 occupied desks. It was proposed that by the end of the process of rationalisation 725 desks would be required. The proposals approved provided a notional 730 desks as detailed below.

• Greenock Municipal Buildings	350
• Port Glasgow Hub	20
• Gourock Municipal Buildings	40
• Wallace Place (also includes Library)	50
• Central Library	160
• Business Store	45
• 40 West Stewart Street	65
Total	730

4.2 In order to implement the proposals there has been very close co-operation between the Assets team and the Modernisation team in order to identify areas for mobile working and flexible working and for electronic document management. Meeting have been held with all Heads of Service and their service Managers to assess desk requirements. This has resulted in a firming up of desk requirements on a Service by service basis and while this has still to be finalised it has confirmed that the anticipated desk requirement of 725 is achievable. Firming up of proposals indicates that the number of desks provided will be slightly in excess of the 730 previously anticipated which will provide a degree of flexibility necessary as the cellular nature of some offices mean they cannot be occupied at 100% efficiency.

5.0 PROGRESS

5.1 Greenock Municipal Buildings

The major project within the Greenock Municipal Buildings, the Customer Service Centre is now complete and operational. The next major work to be undertaken is refurbishment of the Banking Hall. This will open the area out and form a large open plan area which will make the best use of space. It is proposed to decant the staff currently occupying this area to the ground floor of Wallace Place while the work is undertaken. When this work is complete it will allow a reorganisation of Finance Services accommodation, allowing Finance to consolidate and free up areas within the Municipal buildings for other services to utilise. The cost of this work is estimated at £470,000. The other major project will involve the refurbishment of the former District Court offices. This area of the Municipal Buildings is currently out of use, and bringing it back into usable condition will provide 30 desk spaces.

As well as these major projects, numerous minor works are being progressed. Works completed include:

- Alterations to the third floor to allow HR to consolidate accommodation. This will allow the office at 9 William Street to be vacated.
- Refurbishment of one of the Ladies toilets on the second floor.
- Provision of a new Members' Lounge on the first floor.

Works currently being undertaken include:

- Alterations to provide a secure store for the Registrars on the 1st floor. This will allow the Registrars to relocate from West Stewart Street which means Registration Services can be provided from the Customer Service Centre.
- Alterations to the former Internal audit room on the Second Floor to increase the number of desks which can be accommodated.
- Refurbishment of the Ladies and Gents toilets on the second floor.

5.2 Central Library Offices

Design work is nearly complete and preparation of the tender documents is being

progressed for tender issue in September and a site start in October with completion in October 2013. This will provide the main accommodation for CHCP staff employed by the Council. The CHCP have worked closely with the design team to produce a layout which is both efficient and meets operational needs. The accommodation is mainly open plan without allocated desks although sections will have their designated areas.

5.3 **Wallace Place**

Design work is progressing to convert the upper two floors to offices and a layout has been agreed for the library. It is anticipated that work will commence on site in March 2013, to complete in March 2014.

5.4 **Gourock Municipal Buildings**

No design work has been carried out as yet. The original concept was to provide 40 desk spaces and a Customer Services Desk however the office does not provide good office accommodation and the DDA requirements will be expensive to address. The current use of the building is as the CHCP's Training Facility and consideration is being given to expanding this to the training facility for the whole Council. This would free up accommodation within Greenock Municipal Buildings which could be better used for office accommodation.

5.5 **Port Glasgow Hub Office**

The original concept for this office was to provide 20 desk spaces and a Customer Service Desk. This office has however been identified as being necessary for operational reasons to accommodate the bulk of the CHCP staff currently based in Newark House in Scarlow Street, Port Glasgow. This will require 35 desk spaces to be provided as well as the Customer Services Desk. Several premises have been looked at and feasibility studies carried out. A report on a definite proposal will be submitted to the next meeting of the Committee.

5.6 **West Stewart Street**

The relocation of the Registrar's to Greenock Municipal Buildings frees up office space although the Marriage Suite remains in use until suitable alternative accommodation can be provided. A minor works project is being developed which will allow the undercroft to be used as storage. This will enable the relocation of Community Learning and Development to this office.

5.7 **Business Store**

Work has been carried out to convert the Business Store to a library, this is now complete and the library is operating successfully. It is proposed to return the building to office accommodation when the Library moves to Wallace Place.

6.0 **SURPLUS PROPERTIES**

6.1 The main objective of the office rationalisation programme is to reduce the number of buildings the Council operates from. This section details the position in respect of surplus properties. Where properties are stated as being sold this may not happen immediately, dependent on market conditions and other factors. Buildings will be sold as they stand or as cleared sites dependent on which would bring the most economic benefit to the Council.

6.2 **Council Owned Properties**

Highholm Centre – This property has been vacated and demolished, with the site being developed for a park and ride scheme.

Nicol Street Social Work Office – This office has been vacated and sold.

Aberfoyle Road Social Work Office – This office is currently occupied by the Community Learning and Development Service. It is proposed to relocate this Service to the West Stewart Street Office when space becomes available. Subsequent to this the property will be sold.

32 Nicholson Street Social Work Office – This Office is currently occupied by the Libraries Service support staff. They will relocate to Wallace Place when refurbishment is complete and the property will be sold.

Newark House Social Work Office – Staff based here will relocate to the Port Glasgow hub office when it is available. The building will then be sold.

Dalrymple House Social Work HQ – Staff based here will relocate to the Central Library Offices or other Council/Health Board Offices in Greenock town centre. This process is not likely to conclude until the end of 2014. Subsequent to this the property will be sold.

9 William Street – This office is currently occupied by the Health and Safety Section who will shortly relocate to Greenock Municipal Buildings. Subsequent to this the property will be sold.

55-57 Belville Street – These two shop units have been converted to Offices. One is currently vacant, having previously been occupied by River Clyde Homes. The other is occupied by Psychological Services who will shortly relocate to the Education Headquarters. It is proposed that these offices will be used as decant accommodation for PAFM from May next year until permanent accommodation is available, either within Greenock Municipal buildings or Wallace Place. Subsequent to this they will be returned to the commercial portfolio and leased to a third party.

Education HQ William Street – Under the current proposals this building will be surplus to requirements, with Education staff moving either to the Municipal Buildings or Wallace Place when space is available. It is unlikely that the property could be disposed of and as the building is listed the Council has a duty to maintain it. It is recommended that the building is put onto a Care and maintenance regime until a suitable use can be found.

6.3 Leased Properties

Cathcart House – The lease for this property expires in May 2013. It is currently occupied by PAFM and Regeneration and Planning. It is proposed to relocate Regeneration and Planning to Greenock Municipal Buildings by May 2013, utilising the space freed up by the works detailed in section 5.1. At that time there will not be sufficient space available for PAFM and it is proposed to decant to Belville Street until permanent accommodation is available.

99 Dalrymple Street – The lease for this property expires in October 2013 It is currently occupied by CHCP staff who will relocate to the Central Library Office in October 2013.

30 Nicholson Street – The lease for this property expires in September 2016. It is used by Grand Central Credit Union who are anticipated to remain in occupation until March 2013 Subsequent to this there are plans to utilise it for a Community Learning & Development project until the lease expires.

7.0 IMPLICATIONS

7.1 The costs of the Office Rationalisation programme are contained within the Asset Management Plan Financial model. This is currently being reviewed and updated and a report will be submitted on this to the next meeting of the Committee.

8.0 CONSULTATION

8.1 The Chief Financial Officer has been consulted and is in agreement with the proposals.

- 8.2 There are no Human Resource implications and therefore the Head of Organisational Development, HR and Communications has not been consulted.
- 8.3 There are no Legal implications and therefore the Head of Legal and Democratic Services has not been consulted.

9.0 BACKGROUND PAPERS

- 9.1 Office Rationalisation Programme Committee report – Regeneration Committee Agenda 21st September 2012 item 18.