



## Finance Sub-Committee 26 March 2018

### Office Transformation Project

#### Purpose of report

To provide an overview of the Office Transformation Project and seek approval for its implementation and a budget of £150,000 to fund delivery.

#### 1.0 Introduction

1.1 This report provides an overview of the Office Transformation Project (OTP) which takes forward key aspects of the recently adopted Commercialisation Strategy and the emerging Asset Management Strategy. Fundamentally, the OTP seeks to review and reconfigure the Council's existing operational footprint in order to make best use of assets to improve the working conditions of staff and delivery of services whilst also generating income. The OTP will also set the tone for new ways of working that will ensure that staff have the best possible working conditions to drive effective delivery of services. The OTP is split into 3 phases:

- **Phase 1** –Planning Services
- **Phase 2** –Customer and Community Services and Environmental Services
- **Phase 3** –Remaining office space at Cedar Drive

1.2 Members will provide oversight via the Business Transformation Steering Group with support from an officer working group.

#### 2.0 Equality and diversity implications

2.1 The design will be DDA compliant as per current legislation

#### 3.0 Legal Implications

3.1 There will be a number of legal implications relating to the purchasing of office equipment and office move experts that will be managed through the normal of procurement processes and contracts.

#### 4.0 Risk Management

4.1 A risk register will be produced and reviewed on a regular basis by the project team and reported as required.

#### 5.0 Financial and Resource Implications

5.1 This report seeks up to £150,000 to fund the delivery of the proposal broken down as follows:

Area	Cost	Cost minus current planned refurbishment
Planning Services	£44,986.90	£31,445.40
Customer and Community Services	£60,949.18	£48,283.68
Environmental Services	£59,274.76	£49,054.76
<b>SG13,SG14, SG17</b>	£9,055.16	£5,551.16

<b>Total Fitting Out Cost</b>	<b>£174,266.00</b>	<b>£134,335.00</b>
<b>Total Resource Requested</b>		<b>£150,000</b>
<b>Staffing Support through 2018/19 (Phase 1 into Phase 2) (see 5.2 below)</b>		<b>£40,000</b>
<b>Grand Total</b>		<b>£190,000</b>
<b>Annual Rent from Red Brick</b>		<b>£61,452</b>
<b>Number of years to pay off <u>after successful leasing</u> of facility</b>		<b>3.1 years</b>
<b>Cost/opportunity cost to get Red Brick building to condition where it can be let</b>		<b>£50,000/ 10 Months rent free</b>

5.2 The Business Transformation Team will need to support and provide project management for the OTP. This cost has been shown in the above table to illustrate the cost implications of the project through 2018/19. This cost will be met from the existing budget of the Transformation Team. There is a risk that additional resource may be required beyond the existing Business Transformation Team and if this is the case, then this will be sought via the normal approval processes.

## 6.0 Corporate Outcomes

6.1 This report contributes to the following corporate outcomes:

- **Good Quality of Life** – Improve the effectiveness of service delivery
- **Good value for money** – Better use of assets and basis for generating income and improving productivity.
- **Effective Partnership working** – Improve ways of working both internally and externally through having a more flexible approach which will include exploring shared facilities with partners.

## 7.0 Recommendations

The Sub-Committee is recommended to:

- Agree the proposal as detailed in this report
- Agree the transfer of £150,000 from the Development Pool into the Approved Capital Programme (to be funded from Capital Reserves)

*(Reason – To drive forward the delivery of the Office Transformation Project)*

<b>Legal</b>	Power: Local Government Act 1972				
	Other considerations:				
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<b>Date:</b> 26 March 2018					
<b>CFO</b>		<b>MO</b>		<b>CX</b>	