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DATE: 11 January 2011

To: Members of the  
**IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE**

Councillor Neil Reddin (Chairman)  
Councillor Nicholas Bennett J.P. (Vice-Chairman)  
Councillors Graham Arthur, Eric Bosshard, Stephen Carr, Judi Ellis, Robert Evans,  
Russell Jackson, Russell Mellor and Tony Owen

A meeting of the Improvement and Efficiency Sub-Committee will be held at Bromley Civic Centre on **WEDNESDAY 19 JANUARY 2011 AT 7.30 PM**

MARK BOWEN  
Director of Legal, Democratic and  
Customer Services.

*Copies of the documents referred to below can be obtained from*  
[www.bromley.gov.uk/meetings](http://www.bromley.gov.uk/meetings)

## A G E N D A

- 1 APOLOGIES FOR ABSENCE
  - 2 DECLARATIONS OF INTEREST
  - 3 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING  
To hear questions received in writing by the Legal, Democratic & Customer Services Department by 5pm on Thursday 13<sup>th</sup> January and to respond.
  - 4 MINUTES OF THE MEETING HELD 13TH OCTOBER 2010 (Pages 3 - 6)
  - 5 MATTERS ARISING FROM PREVIOUS MEETINGS (Pages 7 - 12)
  - 6 CARBON MANAGEMENT FUND: PROGRESS REPORT 2010 (Pages 13 - 22)
  - 7 ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE (Pages 23 - 36)
  - 8 'TELL US ONCE' PROJECT - PRESENTATION
  - 9 OFFICE ACCOMMODATION STRATEGY (Pages 37 - 52)
  - 10 CORPORATE WEBSITE - VERBAL UPDATE
- .....

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## **IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE**

Minutes of the meeting held on 13 October 2010

### **Present:**

Councillor Neil Reddin (Chairman)  
Councillor Nicholas Bennett J.P. (Vice-Chairman)  
Councillors Graham Arthur, Douglas Auld, Eric Bosshard and  
Stephen Carr

### **Also Present:**

Councillor Peter Fookes

## **22 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Ellis, Councillor Evans, Councillor Owen and Councillor Mellor. Councillor Auld attended as alternate to Councillor Mellor.

Apologies for absence were submitted for the Assistant Director: Organisational Improvement and the Committee wished him well.

## **23 DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **24 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

No questions had been received from members of the public.

## **25 MINUTES OF THE MEETING HELD ON 8TH JULY 2010**

**RESOLVED** that the Minutes of the meeting held on 8<sup>th</sup> July 2010 be agreed.

## **26 MATTERS ARISING FROM PREVIOUS MEETINGS**

### **LDCS10169**

The Committee were informed that actions developed following the London Efficiency Challenge had been built into the Organisational Improvement Plan and would be included in future updates. Progress around the joint project team with

Bexley Council would also be reported as part of the Organisational Improvement Plan updates.

Information around the Aligning Policy and Finance Workstream was being considered by Policy Development and Scrutiny Committees and would be the subject of ongoing updates.

**RESOLVED that the report be noted.**

## **27 WEB PRESENTATION**

The Chairman invited Keiron Mumby from Jadu CMS to give a presentation demonstrating the range of functionality which could be applied to the Bromley Council website following the agreement of the Executive in September 2010 to award the contract to upgrade and redesign the Bromley website to Jadu CMS.

Jadu CMS currently had over 100 UK customers including the London Boroughs of Wandsworth, Southwark and Enfield. Available website functionality included the support of online payments, hosted links to Youtube, Twitter and other social networking sites to support marketing, feedback and a 'sense of place', and a Google powered search product. An 'In My Area' link could be used to bring together information on all the services offered by the Council and its partners in a specific area. A Member suggested that local estate agencies might be interested in purchasing advertising space on these pages.

Members had a general discussion around the redesign of the Bromley website. The Chairman queried whether the new website could link in with back office systems across Bromley Council. Mr Mumby confirmed that a number of back office systems could be linked with the website, such as the CRM system. Councillor Bennett queried how easy it would be for web content to be uploaded and amended. Mr Mumby confirmed that the system was simple to use and web masters and content authors would receive full training.

In terms of designing the new site, it would be important to include input from both Members and local residents. The Communications Working Group had previously developed a number of recommendations around how the website might be better used as a communication tool. The New Technology Working Group was also undertaking a review, and Members suggested the Chairman of the New Technology Working Group be approached to see whether the Members of the Working Group would be interesting in providing initial Member input into the look and feel of the new website. There was also scope to involve members of the public through the existing website.

Councillor Fookes highlighted the use of Socitm 'pop up' survey boxes that were used on a range of websites to support feedback. Mr Mumby confirmed that this could be used on the redesigned website but that there were cost implications.

**RESOLVED that the presentation be noted.**

## **28 INTERNAL AUDIT AND VALUE FOR MONEY REPORTING**

### **LDCS10180**

The Committee received a report outlining an approach to Value for Money (VfM) reporting by Internal Audit which had been approved by Audit Sub Committee on 16<sup>th</sup> September 2010.

The VfM methodology included a scoring matrix to be used by Internal Audit in the course of their audit work for reviewing VfM risks and controls, with a rating of 1-4. Where lower scores were recorded, the matter would be referred to the Organisational Improvement Team, who would assist the service concerned. It had been noted that a low score might not necessarily indicate a service offering poor VfM, but might indicate the need to develop more robust systems to substantiate good VfM being delivered by the service. The role of Improvement, Efficiency and Effectiveness Plans in evidencing VfM processes was highlighted, as was the value of undertaking a zero based budgeting exercise.

The Chairman noted the benefits of the new methodology in principle, but underlined the need to ensure that Internal Audit remained focused on its core business. Councillor Bennett highlighted the importance of ensuring VfM was delivered across all processes and noted that Internal Audit was well-placed to identify VfM. Another Member noted the importance of outcome based reviewing across services and initiatives to track progress, particularly regarding 'spend-to-save initiatives' and suggested the outcomes from this new approach to Value for Money reporting be reviewed in due course.

**RESOLVED that the approach to Value for Money reporting approved by the Audit Sub-Committee be endorsed, and the role of the Organisational Improvement Team be noted.**

## **29 ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE**

### **CEO1063**

The Sub Committee received a report updating Members on the progress made on the first phase projects within the Organisational Improvement Programme.

The Committee considered the recent 'Idea's Aloud' events delivered by the Organisational Improvement Team as part of Customer Service Week. The two sessions brought together staff from a range of different services with Councillors to generate a range of improvement and efficiency ideas. The Chairman thanked the Organisational Improvement Team for organising the event as well as those Councillors who attended the sessions and noted that a number of positive ideas had been suggested, including the development of a corporate volunteering programme and formalising processes for Bromley staff to report street scene issues. Participants had also highlighted the importance of more cross-working across the Council to improve service delivery and communication.

With regard to the workstream around Civic Centre Accommodation, the Head of Improvement, Efficiency and Effectiveness confirmed that work was being undertaken with the Director of Renewal and Recreation to ensure efficient use of office space, with the emphasis currently on accommodating additional Children and Young People Department staff on the Civic Centre site.

The Shared Services project with London Borough of Bexley was progressing. A joint board made up of both Borough Chief Executives and key Chief Officers had met twice. Areas that had been identified for progression included procurement and the potential for shared Legal Services across both organisations. Councillor Bennett highlighted the recent review of government waste by Sir Philip Green and queried whether a single procurement strategy was in place across the Council. The Head of Improvement, Efficiency and Effectiveness confirmed that there were a number of framework agreements which the Council, together with other public sector organisations, could access to support efficient procurement. Another Member highlighted that there were regional agreements around joint purchasing of adult and community services. The Committee suggested that it would be useful to have an agreed list of suppliers that could be utilised across all public sector partners.

Regarding the Agency Staff workstream, the Head of Improvement, Efficiency and Effectiveness confirmed that use of agency staff had been reviewed and a revised vacancy management procedure had been issued by HR to ensure the most appropriate route would be used to fill vacancies. There were still difficulties in attracting permanent staff to fill social care vacancies, however HR was working with other boroughs to minimise instances of competing for staff.

The Head of Improvement, Efficiency and Effectiveness confirmed that the rollout of the Voice Recognition System to officers and Members went live on 21<sup>st</sup> June 2010 with an accuracy rate of 70-80%. Work to improve the accuracy of the system by increasing the VRS vocabulary was currently being undertaken. The procurement process was now underway for both external switchboard calls and 'report it' functionality to handle calls for simple requests. This would be delivered in two separate phases to allow time for development work around the 'report it' function, and delivery of the Voice Recognition System for the external switchboard was scheduled for 1<sup>st</sup> November 2010.

**RESOLVED that the progress made on the first phase projects within the Organisational Improvement Programme.**

The Meeting ended at 8.50 pm

Chairman

# Agenda Item 5

Report No.  
LDCS11014

London Borough of Bromley

Agenda  
Item No.

PART 1 - PUBLIC

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**Decision Maker:** Improvement & Efficiency Sub Committee

**Date:** 19<sup>th</sup> January 2011

**Decision Type:** Non-Urgent                      Non-Executive                      Non-Key

**Title:** **MATTERS ARISING FROM PREVIOUS MEETINGS**

**Contact Officer:** Kerry Nicholls, Democratic Services Officer  
Tel: 020 8313 4602 E-mail: kerry.nicholls@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Legal and Democratic Services

**Ward:** N/A

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1. Reason for report

Appendix A updates Members on matters arising from previous meetings.

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2. **RECOMMENDATION(S)**

**The Committee is asked to consider progress on matters arising from previous meetings.**

### Corporate Policy

1. Policy Status: N/A.
  2. BBB Priority: N/A.
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A.
  3. Budget head/performance centre: N/A
  4. Total current budget for this head: £N/A
  5. Source of funding: N/A
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### Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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### Legal

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is not applicable. This report does not involve an executive decision
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A



### 3. COMMENTARY

The Committee is asked to consider progress on matters arising from previous meetings.

<b>Non-Applicable Sections:</b>	Policy Implications; Financial Implications; Legal Implications; Personnel Implications
Background Documents: (Access via Contact Officer)	Strategies and plans for each corporate area

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## MATTERS ARISING FROM PREVIOUS MEETINGS

Minute Number/Title	Decision/Agreement	Update	Action by	Completion Date
<b>26 Web Presentation</b> (from the minutes of I&E Sub Committee on 13 <sup>th</sup> October 2010)	Members suggested the Chairman of the New Technology Working Group be approached regarding whether the Members of the Working Group would provide initial Member input into the design of the new Bromley Council website.	Progress of the design of the new Bromley Council website to be reported to Improvement and Efficiency Sub Committee.	<b>Organisational Improvement Team</b>	<b>January 2011</b>
<b>28 Internal Audit and Value for Money Reporting: Report LDCS10180</b> (from the minutes of I&E Sub Committee on 13 <sup>th</sup> October 2010)	A Member requested that the outcomes from the new approach to Value for Money reporting be reviewed in due course.	Outcomes from the new approach to Value for Money reporting to be reported to Improvement and Efficiency Sub Committee.	<b>Organisational Improvement Team</b>	<b>April 2011</b>

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Report No.  
ES09102

London Borough of Bromley

Agenda  
Item No.

## PART 1 - PUBLIC

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**Decision Maker:** Improvement & Efficiency Sub-committee

**Date:** 19 January 2011

**Decision Type:** Non-Urgent                      Non-Executive                      Non-Key

**Title:** **CARBON MANAGEMENT FUND: PROGRESS REPORT 2010**

**Contact Officer:** Alastair Baillie, Environmental Development Manager  
Tel: 020 8313 4915 E-mail: alastair.baillie@bromley.gov.uk

**Chief Officer:** Paul Dale: Deputy Chief Executive and Director Resources  
Nigel Davies: Director Environmental Services

**Ward:** All

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### 1. Reason for report

- 1.1. In October 2008, the Executive agreed to establish a ring-fenced Carbon Management Fund (ED08067 Minute 69) to invest in energy efficiency, with the aim reducing Council carbon emissions by 25% over five years and avoiding unnecessary costs.
  - 1.2. The Executive requested that Improvement, Efficiency & Effectiveness Sub-committee (IE&E) receive annual reports on the Fund's operation (also see ES08185, December 2008 and ES09102, December 2009).
  - 1.3. This report details the progress made on the first two tranches of Carbon Management Funded projects and identifies possible third tranche projects for 2010/11 and beyond.
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### 2. **RECOMMENDATIONS**

That IE&E sub-committee:

- 2.1 Notes the work conducted on the first and second tranche Carbon Management Funded projects and comments on the proposed third tranche projects.
- 2.2 Receives a further annual report in December 2011, detailing progress on all current Carbon Management Funded projects and proposed fourth tranche projects for 2011/12 and beyond.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: Estimated cost £363k
  2. Ongoing costs: Recurring cost. Estimated avoided spend per annum: 2011/12 - £40k; 2012/13 - £89k; 2013/14 - £145; 2014/15 - £180k; 2015/16 - £193k
  3. Budget head/performance centre: Carbon Management Programme within Capital Programme
  4. Total current budget for this head: £285k current uncommitted balance (plus £62.5k due from Salix)
  5. Source of funding: Capital Programme (£250k) and Carbon Trust / Salix (£250k)
- 

### Staff

1. Number of staff (current and additional): 0.4 FTE current
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is applicable
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

#### Background

- 3.1 In 2008, the Council established a ring-fenced Carbon Management Fund (Fund). This £500k Fund (£250k LB Bromley / £250k Salix) is used to provide internal loans to fund the installation of proven energy saving technologies across the Council estate and street lighting assets.
- 3.2 Each loan is repaid into the Fund from an agreed adjustment to an energy budget, reflecting reduced consumption and cost. Consequently the Fund is continually replenished and can be re-invested in new energy efficiency projects. Once an individual project has fully paid back, the avoided spend will then permanently benefit the Council.
- 3.3 The term ‘avoided spend’ has been used in this report rather than ‘savings’. This is because the financial benefit of energy efficiency activity will manifest itself in one of two ways:
- If overall energy costs have risen due to increased site activity or service provision, longer opening hours, increased energy prices or cold weather, then energy efficiency measures will mitigate these factors and avoid costs that would otherwise have been incurred.
  - If the reduction in consumption from energy efficiency measures outweighs the above negative factors, then a true saving will be made.

Clearly which of these two scenarios will happen cannot be determined in advance but that should not prevent action being taken to avoid carbon emissions and unnecessary spending.

- 3.4 To be considered for funding, projects should payback in less than five years and have a long-lasting effect. This ensures that LB Bromley receives good value for money from such works.
- 3.5 This report focuses on the progress of the existing first and second tranche Carbon Management Funded projects and proposes third tranche projects, to be implemented in 2010/11 and 2011/12.
- 3.6 In this report, the term ‘carbon’ may be used, for brevity, to describe ‘carbon dioxide’ and is generally abbreviated to CO<sub>2</sub> and expressed in tonnes.

#### First Tranche Projects

- 3.7 Table 1 shows the first tranche projects including when the projects were ‘Commissioned’ (when energy savings and consequently fund repayments commenced), the investment cost, annual avoided spend, carbon savings, and the agreed payback period (the time taken to fully repay the investment cost).

Table 1: First Tranche Carbon Management Fund Projects

Project Description	Commission Date	Investment Cost (£)	Annual Avoided Spend (£/pa)	Annual Savings (tCO <sub>2</sub> )	Payback (years)
Street-signage conversion from 24hr to dusk-to-dawn switching	October 2009	43,482	26,862	99	1.62
Voltage Optimisation (Civic Centre)	February 2009	89,827	30,703*	114*	2.93
<b>Total</b>		<b>133,309</b>	<b>57,565</b>	<b>213</b>	<b>N/A</b>

\* In practice, meter readings have shown an 11.5% reduction in electricity consumption rather than the 8.8% reduction originally projected, which may lead to improved carbon and financial savings.

## Second Tranche Projects

3.8 Table 2 shows the second tranche projects including their investment cost, annual avoided spend, carbon savings and payback period.

Table 2: Second Tranche Carbon Management Fund Projects

Project Description	Commission Date	Investment Cost (£)	Annual Avoided Spend (£/pa)	Annual Savings (t/CO <sub>2</sub> )	Payback (years)
Phase 2: Street-signage conversion from 24hr to dusk-to-dawn switching	December 2010	49,385	14,434	95	3.42
Central Island Column project	February 2011	17,920	7,197	47	2.49
<b>Total</b>		<b>67,305</b>	<b>21,631</b>	<b>142</b>	<b>N/A</b>

- 3.9 Fewer projects were implemented in this second tranche than planned. This was partly due to the Accommodation Review and uncertainty over the Civic Centre's future. A key condition of Fund is that projects must pay for themselves through energy savings in less than five years and this condition would not have been met had the site had been vacated (within this period).
- 3.10 Despite this, the Council has made steady progress in reducing its carbon emissions through a variety of activities including planned Property works and the behaviour change work done by staff Environmental Champions. For information on non-Carbon Management Funded projects, please see Executive Report ES10188 on Carbon Management Programme.

## Third Tranche Projects

- 3.11 A number of projects are planned for 2010/11 and future years. The associated data are mainly provisional estimates and it should be noted that projects may change (due to cost variations, resource availability, priorities etc.) or be replaced by new projects, as this is an evolving plan.
- 3.12 Table 3 shows potential third tranche projects. These projects, which won't all necessarily start in 2010/11 and will be progressed as resources allow, are projected to save a 783t of carbon and avoid £141k of cost each year (based on current prices and consumption levels).

Table 3: Potential New Carbon Management Fund Projects

Project Description	Estimated Costs (£)	Estimated CO <sub>2</sub> Savings (t/pa)	Estimated Annual Avoided Spend (£/pa)	Estimated Payback (years)
Voltage Optimisation: Walnuts Offices	4,468	5	1,180	3.79
Voltage Optimisation: EDC Princes Plain	4,468	5	1,217	3.67
Voltage Optimisation: Anerley Town Hall	4,468	5	1,084	4.12
Overhaul of Civic Centre heating system	90,000	300	46,500	1.94
Oil-gas conversion: Beckenham Library	45,000	10	9,000	5
Electric-gas hot water conversion: Beck. Lib.	30,000	10	10,000	3
Server room evaporative cooling	23,000	172	25,229	0.9
Heat recovery to Great Hall ventilation	11,000	27	3,332	3.3
VSD controls North block burners/ pumps	17,000	44	6,432	2.6
Lowering return temp. to Boilers North Block	1,300	9	1,180	1.1
Reducing North Block heat pump flow rates	4,800	27	4,044	1.2
CCTV Area: replace electric heating with gas	6,900	27	4,440	1.55
Civic Centre lighting upgrades	44,500	71	10,400	4.3
'Nightwatchman' smart IT software	tbc	tbc	tbc	tbc
Fit electronic gear to MI26 Lanterns	76,169	71	16,943	4.5
<b>Totals</b>	<b>363,073</b>	<b>783</b>	<b>140,981</b>	<b>N/A</b>



3.13 These proposed third tranche projects have been identified on the basis of their feasibility, payback period, and long-term savings potential.

Three voltage optimisation projects have been initially quantified by assessing site size and electricity consumption. More detailed surveys and data-logging must be conducted to finalise feasibility, costs and savings. As with the successful Civic Centre voltage optimisation project, these projects will deliver measurable energy savings. The installations will be undetectable in the day-to-day site operations and will also protect and prolong the life of electrical equipment, thus reducing maintenance costs.

Beckenham Library still relies on an old-fashioned oil-fired system for its space heating and an electrical system for water-heating. Projects to convert both systems to a less carbon-intensive and more cost-effective gas system are under investigation.

The following projects were identified by consultants as a result of a detailed site survey at the Civic Centre (part of our continuing partnership working relationship with the Carbon Trust).

**CCTV accommodation heating project:** This would involve replacing the current electric heating and extending the Low Temperature Hot Water system and adding ten radiators with thermostatic radiator valves. There is an underutilised high efficiency condensing boiler with more than adequate capacity and this will save energy costs and carbon emissions as gas is cheaper and is less carbon intensive (per kWh) than electricity.

**North Block boiler / heat pump project:** This combined scheme had to be quantified as separate components to satisfy Salix technical rules. The project is to set the boiler control strategy so operation is based upon achieving a return temperature of 60°C and subsequently reduce the flow rate of the pumps. As the flow temperature is lowered, so system distribution heat loss is also reduced. The boilers respond to changes in demand, reducing standing losses. The energy saving is both from reducing heating mains losses and reduced pumping power; the effect being to half the pumping flow rate, which reduces pump electrical consumption.

**Server room evaporative cooling project:** Server room cooling is operational throughout the year and is currently cooled by air conditioning units which use significant amounts of electricity. Evaporative coolers are a more passive system and use the latent cooling of water to reduce the cooling load imposed on the air conditioning system (by the computer servers). They also offer free cooling during night periods (outside air is cooler). Existing air conditioning units would be retained as a back-up system.

**Great Hall heat ventilation system recovery project:** This aims to reduce the requirement for heating fresh air coming into the air handling unit. As the existing plant is more than 30 years old, the most practical approach would be to replace the existing unit with a new one incorporating a thermal wheel. Thermal wheels can recover about 85% of heat from ventilation air, transferring it to incoming fresh air which then needs minimal additional heating to reach the required temperature.

**Variable Speed Drive (VSD) controls for North Block pumps:** VSD controls will be applied to North Block heat pumps. These will vary pump speed depending on heating demand. They also respond to increases in system pressure produced by thermostatic radiator valve operation. The VSD units can also provide metering data for the pumps to assist performance monitoring. Reducing flow rates by 20% can offer energy savings of 50%. On average it is expected that the fan flow rate will be reduced by at least 20% offering significant savings throughout the year.

**Civic Centre Lighting:** The Civic Centre survey also outlined an opportunity from lighting upgrades. The replacement of old lighting stock would provide a number of benefits including reduced energy consumption, improved light quality, improved lifecycle replacement schedule, reduced maintenance and aesthetic improvements.

Smart IT software, such as 'Nightwatchman', intelligently manages computer power across a network. This significantly lowers energy consumption without ever impacting user productivity.

The Highways project to fit electronic gear to MI26 Lanterns is planned to start early in 2011. The project involves the replacement inefficient mechanical gear on 1,341 MI26 type lanterns with electronic gear, generating good energy savings via a very established method.

Before these projects commence, further analysis will be undertaken to identify all key risks and assumptions will be tested against a series of 'what if' scenarios to ensure savings are realistic.

- 3.14 Members should be aware that other non-Carbon Management Funded projects are also being progressed (for a variety of purposes) and are met from existing or external budgets. These too contribute to reduced carbon emissions and energy cost avoidance (see January 2011 Executive Report ES10188 on the 2009/10 Carbon Management Programme).

#### 4. POLICY IMPLICATIONS

- 4.1 The Quality Environment section of the Council's Building a Better Bromley 2020 Vision states that 'we are also determined to work together in reducing energy consumption' and 'reducing energy use' is also identified as an issue to be tackled and how we will judge success.
- 4.2 Undertaking energy efficiency activity will place the Council in an improved position with regard to complying with, and reducing liabilities under, the statutory Carbon Reduction Commitment (also see Executive Reports ES09101 December 2009, and ES10189 January 2011).

#### 5. FINANCIAL IMPLICATIONS

##### First and Second Tranche Projects

- 5.1 Table 4 shows when the first and second tranche projects will pay back into the Fund.

Table 4: First and Second Tranche CMF Projects: Repayment Schedule

PROJECTS	2008/09 £	2009/10 £	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15
<b>1<sup>st</sup> Tranche</b>							
Convert street-signage from 24hrs to dusk-to-dawn switching	0	13,431	26,862	3,189	0	0	0
Voltage optimisation (Civic Centre)	4,133	30,703	30,703	24,288	0	0	0
<b>2<sup>nd</sup> Tranche</b>							
Convert street-signage from 24hrs to dusk-to-dawn switching Phase 2	0	0	4,811	14,434	14,434	14,434	1,272
Convert central island columns / bollards to dusk-to-dawn switching	0	0	1,200	7,197	7,197	2,327	0
<b>Annual payback amount</b>	<b>4,133</b>	<b>44,134</b>	<b>63,576</b>	<b>49,108</b>	<b>21,631</b>	<b>16,761</b>	<b>1,272</b>
<b>Cumulative payback 1<sup>st</sup> and 2<sup>nd</sup> tranche combined</b>	<b>4,133</b>	<b>48,267</b>	<b>111,843</b>	<b>160,951</b>	<b>182,582</b>	<b>199,343</b>	<b>200,614</b>

- 5.2 Table 5 shows the projected avoided spend against revenue budgets (based on consumption and prices at project start date) once the project has fully paid back into the Fund.

Table 5: First and Second Tranche CMF Projects: Projected Avoided Spend

PROJECTS	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £
<b>1<sup>st</sup> Tranche</b>							
Convert street-signage from 24hrs to dusk-to-dawn switching	0	23,673	26,862	26,862	26,862	26,862	26,862
Voltage optimisation (Civic Centre)	0	15,835	40,123	40,123	40,123	40,123	40,123
<b>2<sup>nd</sup> Tranche</b>							
Convert street-signage from 24hrs to dusk-to-dawn switching Phase 2	0	0	0	0	13,162	14,434	14,434
Convert central island columns / bollards to dusk-to-dawn switching	0	0	0	4,871	7,197	7,197	7,197
<b>First &amp; Second tranche project avoided spend</b>	<b>0</b>	<b>39,508</b>	<b>66,985</b>	<b>71,856</b>	<b>87,344</b>	<b>88,616</b>	<b>88,616</b>
<b>Cumulative first &amp; second tranche project avoided spend</b>	<b>0</b>	<b>39,508</b>	<b>106,493</b>	<b>178,349</b>	<b>265,693</b>	<b>354,309</b>	<b>442,925</b>

### Third Tranche Projects

5.3 Table 6 summarises Appendix 1, which shows when the proposed third tranche projects are provisionally estimated to pay back into the Fund (based on internal loan agreements).

Table 6: Third Tranche CMF Projects: Provisional Repayment Schedule\*

PROJECTS	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £
<b>Annual payback amount</b>	0	58,742	126,939	84,323	50,061	36,420	6,587
<b>Cumulative payback amount</b>	<b>0</b>	<b>58,742</b>	<b>185,681</b>	<b>270,004</b>	<b>320,065</b>	<b>356,485</b>	<b>363,072</b>

\* Assumes that all projects are implemented by 1 November 2011

5.4 Table 7 summarises Appendix 2, which shows the potential third tranche projects including provisional avoided spend (once the project has been fully repaid into the ring-fenced fund). Not all of these projects are fully quantified and so the figures are indicative only (actual payback dates will reflect project start dates).

Table 7: Third Tranche CMF Projects: Projected Avoided Spend

PROJECTS	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
<b>Total avoided spend pa</b>	0	14,042	56,658	90,920	104,561	134,394	140,981
<b>Cumulative 3<sup>rd</sup> tranche project avoided spend</b>	<b>0</b>	<b>14,042</b>	<b>70,700</b>	<b>161,620</b>	<b>266,181</b>	<b>400,575</b>	<b>541,556</b>

5.5 Table 8 summarises the overall financial benefit to the Council of current and proposed Carbon Management Funded projects (once fully the Fund has been fully paid back).

Table 8: CMF Projects: Projected Avoided Spend (Tranches 1, 2 and 3)

PROJECTS	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £
First tranche projects	0	39,508	66,985	66,985	66,985	66,985	66,985
Second tranche projects	0	0	0	4,871	20,359	21,631	21,631
Third tranche proposed projects	0	0	14,042	56,658	90,920	104,561	134,394
<b>Total avoided spend per annum</b>	<b>0</b>	<b>39,508</b>	<b>81,027</b>	<b>128,514</b>	<b>178,264</b>	<b>193,177</b>	<b>223,010</b>
<b>Cumulative avoided spend</b>	<b>0</b>	<b>39,508</b>	<b>120,535</b>	<b>249,049</b>	<b>427,313</b>	<b>620,490</b>	<b>843,500</b>

- 5.6 Carbon Management Fund projects represent a win-win financial situation for the Council, regardless of whether future energy prices rise or fall. Price-sensitivity analysis demonstrates that:
- a fall in energy prices means that although project savings will be slightly reduced, there will be an overall financial benefit to the Council as energy bills will be significantly lower (far outweighing the reduced project savings);
  - an increase in energy prices means that projects will save even more than originally projected, thus helping to mitigate the financial impact of any future energy price increases.
- 5.7 The Carbon Reduction Commitment (CRC), see Executive Reports ES09101 (December 2009) and ES10189 (January 2011), places a significant additional financial liability on avoidable carbon, reinforcing the need for a continued focus on the energy demand management measures set out in this report.
- 5.8 Carbon Management Fund projects must pay for themselves before they provide any avoided spend benefit. However, they will provide an immediate and additional financial benefit because fewer CRC carbon allowances will have to be purchased. For instance, the 355t of carbon emissions saved annually from Tranche 1 and 2 projects will result in the Council avoiding £4,260 of CRC allowance costs in 2011/12. This benefit will increase as the price of CRC allowances increases and further projects are implemented.
- 5.9 The Carbon Management Fund as reported to Salix at the end of 2009/10 is shown in Table 9.

Table 9: Carbon Management Fund as at 31.03.10

<b>Carbon Management Fund</b>	<b>£'000</b>
Funding Received as at 31.03.2010	
LBB Capital Programme	250
First three instalments received from Salix	188
Total funding received to date	438
Less expenditure to date	-200
Add back loan repayments to date	48
Fund balance as at 31.03.2010	285
Final instalment from Salix: due July 2010	63

<b>Non-Applicable Sections:</b>	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	IE&E Report ES08185: Carbon Management Programme: First Tranche Projects IE&E Report ES09102: Carbon Management Fund: Progress Report 2009 Executive Report ES10188: Carbon Management Programme Progress Report 2009/10 Executive Report ES10189: Carbon Reduction Commitment Scheme 2010 Annual Report

## Third Tranche Projects: Provisional Repayment to Fund Schedule\*

PROJECTS	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£	£	£	£	£	£	£
Voltage Optimisation: Walnuts Offices	0	492	1,180	1,180	1,180	436	0
Voltage Optimisation: EDC Princes Plain	0	507	1,217	1,217	1,217	310	0
Voltage Optimisation: Anerley Town Hall	0	452	1,084	1,084	1,084	764	0
Overhaul of Civic Centre heating system	0	19,375	46,500	24,125	0	0	0
Oil-gas conversion: Beckenham Library	0	3,750	9,000	9,000	9,000	9,000	5,250
Electric-gas hot water conversion: Beckenham Library	0	4,167	10,000	10,000	5,833	0	0
Server room evaporative cooling (to replace air con)	0	10,512	12,488	0	0	0	0
Heat recovery to Great Hall ventilation	0	1,388	3,332	3,332	2,948	0	0
VSD controls Civic North block burners and pumps	0	2,680	6,432	6,432	1,456	0	0
Lowering return temperature to Boilers North Block	0	492	808	0	0	0	0
Reducing flow rates of heating pumps to North Block	0	1,685	3,115	0	0	0	0
Areas of Civic Centre replace electric heating with gas	0	1,850	4,440	610	0	0	0
Civic Centre lighting upgrades	0	4,333	10,400	10,400	10,400	8,967	0
'Nightwatchman' smart IT management software	tbc	tbc	tbc	tbc	tbc	tbc	tbc
Fit electronic gear to MI26 Lanterns	0	7,060	16,943	16,943	16,943	16,943	1,337
<b>Annual payback amount</b>	<b>0</b>	<b>58,742</b>	<b>126,939</b>	<b>84,323</b>	<b>50,061</b>	<b>36,420</b>	<b>6,587</b>
<b>Cumulative payback amount</b>	<b>0</b>	<b>58,742</b>	<b>185,681</b>	<b>270,004</b>	<b>320,065</b>	<b>356,486</b>	<b>363,073</b>

\* Assumes that all projects are implemented by 1 November 2011

## Third Tranche Projects: Projected Avoided Spend

PROJECTS	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
Voltage Optimisation: Walnuts Offices	0	0	0	0	744	1,180	1,180
Voltage Optimisation: EDC Princes Plain	0	0	0	0	907	1,217	1,217
Voltage Optimisation: Anerley Town Hall	0	0	0	0	320	1,084	1,084
Overhaul of Civic Centre heating system	0	0	22,375	46,500	46,500	46,500	46,500
Oil-gas conversion: Beckenham Library	0	0	0	0	0	3,750	9,000
Electric-gas hot water conversion: Beckenham Library	0	0	0	4,167	10,000	10,000	10,000
Server room evaporative cooling (to replace air-con)	0	12,741	25,229	25,229	25,229	25,229	25,229
Heat recovery to Great Hall ventilation	0	0	0	384	3,332	3,332	3,332
VSD controls Civic North block burners and pumps	0	0	0	4,976	6,432	6,432	6,432
Lowering return temperature to Boilers North Block	0	372	1,180	1,180	1,180	1,180	1,180
Reducing flow rates of heating pumps to North Block	0	929	4,044	4,044	4,044	4,044	4,044
Areas of Civic Centre replace electric heating with gas	0	0	3,830	4,440	4,440	4,440	4,440
Civic Centre lighting upgrades	0	0	0	0	1,433	10,400	10,400
'Nightwatchman' smart IT management software	tbc	tbc	tbc	tbc	tbc	tbc	tbc
Fit electronic gear to MI26 Lanterns	0	0	0	0	0	15,606	16,943
<b>Total avoided spend p.a.</b>	<b>0</b>	<b>14,042</b>	<b>56,658</b>	<b>90,920</b>	<b>104,561</b>	<b>134,394</b>	<b>140,981</b>
<b>Cumulative 3<sup>rd</sup> tranche project avoided spend</b>	<b>0</b>	<b>14,042</b>	<b>70,700</b>	<b>161,620</b>	<b>266,181</b>	<b>400,574</b>	<b>541,555</b>

# Agenda Item 7

Report No.  
CEO1167

London Borough of Bromley

PART 1 - PUBLIC

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**Decision Maker:** Improvement and Efficiency Sub-Committee

**Date:** 19<sup>th</sup> January 2011

**Decision Type:** Non-Urgent                      Non-Executive                      Non-Key

**Title:** ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE

**Contact Officer:** Chris Spellman, Assistant Director, Organisational Improvement  
Tel: 020 8461 7942 E-mail: chris.spellman@bromley.gov.uk

**Chief Officer:** Doug Patterson, Chief Executive

**Ward:** Borough-wide

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1. Reason for report

1.1 To update Members on the progress of the Organisational Improvement Programme.

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2. **RECOMMENDATION(S)**

2.1 Note the progress made to date on projects led by the Organisational Improvement Programme

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
- 

### Financial

1. Cost of proposal: N/A No additional costs at this stage
  2. Ongoing costs: N/A. Opportunity cost of Organisational Improvement Team. No additional ongoing costs at this stage. Any business cases for future projects will include ongoing costs.
  3. Budget head/performance centre: Organisational Improvement Team
  4. Total current budget for this head: £
  5. Source of funding: Existing revenue budgets
- 

### Staff

1. Number of staff (current and additional): 5 FTE
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Non-statutory - Government guidance.
  2. Call-in: Call-in is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Beneficiaries will be identified as part of business cases developed through the programme. Potentially all customers and staff are beneficiaries of this improvement programme.
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A



### **3. COMMENTARY**

- 3.1 Since last reporting to I&E Sub-Committee, several of the projects within the programme have progressed significantly.
- 3.2 More detail on the precise progress, risks, issues and planned work is shown in the Programme Highlight report in Appendix 1. A very brief summary of the major workstreams' progress is given below for convenience.

#### **Agency staff**

- 3.3 Spend on agency staff during the first half of 2010-11 was £6.2m. If the annual spend reaches a projected £12m, this will equate to an increase of 100% compared to 2008-9 agency spend.
- 3.4 In September 2010, HR issued vacancy management procedures with, in particular, clear guidelines on how to recruit to short-term vacancies and in what circumstances it was considered acceptable to recruit agency staff to fill a post.
- 3.5 It is anticipated that in the new financial year spend on agency staff will decrease significantly. The Organisational Improvement Team will be working with colleagues from HR to devise a mechanism by which staff looking for deployment can be engaged rather than buying in agency staff for short term work.
- 3.6 Procurement are also currently working with recruitment agencies to control staff costs and a reduction in the margin paid is anticipated.

#### **Civic centre accommodation**

- 3.7 The report on civic centre accommodation went to the meeting of the Executive on 8<sup>th</sup> December 2010. Approval in principle was granted by Members to release £2m for the refurbishment programme to upgrade civic centre offices and release Ann Springman, Joseph Lancaster and the Old Town Hall by 2012-13.
- 3.8 Orders for the works are ready to be placed once final consultations have been held and agreement obtained from the Leader and the Portfolio Holder for Resources.
- 3.9 Meetings are scheduled throughout January between each Director, the Head of Property and the Head of Improvement and Efficiency from the Organisational Improvement Team to consult on draft plans.
- 3.10 Proposals are also underway to amalgamate reception points across the council. The Director of Legal, Democratic and Customer Services will consult Directors on draft designs for the single point of contact.
- 3.11 This item is the subject of a full report to this committee.

#### **Web upgrade**

- 3.12 Since the Executive signed off on the capital to upgrade the website, a small project team has been put together to deliver the upgrade on time and to budget. As set out in the report to Executive at the time, this is a six month project and we are now reaching the half way point.

In the past three months the team have:

- Reviewed all the website content (over 4,000 pages) deleting around 10% of outdated content. All content managers have been interviewed and had a session working with the web team directly

- Completed a design survey and consulted over 100 people (including Members from the New Technology Working Group, Service Heads and their representatives, Designers, Customer Service Centre representatives, Communication Officers, ICT Officers, a freelance photographer plus groups of students who were set the challenge to come up with recommendations for the new site.)
  - Final designs have been completed working very closely with our private sector provider (the Company Jadu who presented at the last I&E Sub meeting)
  - New hosting/servers have been procured
  - Training on new software also completed for the IT development and Bromley Knowledge Teams
- 3.13 But there is still plenty to do and the project is moving into its most hectic period as the templates are completed and loaded up onto our new servers ready for the web team to start the process of migrating all the existing content onto the new site. All the content (documents, text, images etc) will need to be categorised correctly so that it is easy for customers to find what they are looking and they receive a positive customer experience. Work planned over the next few months ready for our go-live date on April 1<sup>st</sup> includes:
- Migrate 4,000 pages of content – plus 3 sub sites
  - Test and set up new servers and hosting arrangements
  - Work with new X-forms product to pilot new e-forms
  - Tender new e-bookings solution
  - Categorise all content using Local Government metadata
  - Refine search engine
  - Create new image library
  - Investigate integration with social media to encourage channel shift

### **Customer Contact Centre service migration**

- 3.14 The landscape helpdesk is the next service to be migrated into the Customer Contact Centre in April.
- 3.15 Although the migration of the landscape helpdesk was agreed some time ago, it has been on hold due to technical development work required by the I.S. team who are currently occupied with the VR project and the web upgrade and in order to allow the Composting for All roll out to take place.
- 3.16 The back-office function of the registrars service will also be migrated into the Customer Contact Centre over the summer, once their new e-booking system is implemented in April. The e-booking system will allow back-office registrars staff as well as members of the public to book appointments to register a birth or death and notifications of marriage or civil partnership.

- 3.17 A list of services with a high volume of calls and/or a high proportion of abandoned calls was presented to the Customer Focus Group and to the Organisational Improvement Board for consideration.
- 3.18 The services which came out at the top of the list were housing, planning, building control and school admissions.
- 3.19 The Head of Customer Services is recommending to the Organisational Improvement Board that whilst some further analysis of volumes may be carried out, a final decision as to whether these services should be migrated into the Customer Contact Centre will be postponed to coincide with the work going on around amalgamating reception points across the council into a single point of contact.
- 3.20 In addition, the merging of the Resources Department with Legal, Democratic and Customer Services is likely to involve a piece of work identifying customer service teams across the council with a view to bringing them together under one new department. This potential restructure may affect any decisions made regarding customer service migrations.

### **Voice recognition**

- 3.21 Phase 1 of the Voice Recognition (VR) project for internal use across the Council has now been live for just over 6 months and is used with great success by Members and Officers alike with an average of 600 calls being made to the system every day and a success rate of 80%.
- 3.22 Phase 2 – expanding the VR switchboard function for external use by members of the public is due to go live mid-January subject to User Acceptance Testing.
- 3.23 Extensive data quality checks have been carried out with teams across the council to ensure that service requests are captured as accurately as possible. The data has now been uploaded to the Telephonetics system ready for testing.
- 3.24 Call volumes for other simple requests with high volumes such as reporting missed bins and requesting a new recycling box have been evaluated and considered suitable for use with VR technology; this will form phase 3 of the project.
- 3.25 The benefits of the ‘report it’ function are that it will free up customer advisors’ time from more simple repetitive tasks so that they can focus on more complex calls. An option will remain for the customer to opt-out of the VR system at any point and talk to a customer advisor if they would prefer.
- 3.26 Officers from Waste Services, the Customer Contact Centre and the Organisational Improvement Team visited Croydon Council who already have the VR report it function in place and received approximately 75 calls through the system every day.
- 3.27 Further development work is required by the I.S. team to enable Telephonetics to access a resident’s information, held on the Council’s CRM web database, whilst maintaining the Council’s internet security features.

### **Shared services**

- 3.28 The Shared Services Board between Bexley and Bromley continues to meet on a quarterly basis with the Chief Executive of Croydon and another Chief Officer from Croydon due to join the group on a permanent basis from January.
- 3.29 The Chief Executives from Bexley and Bromley met with the Chief Executive of Croydon to discuss potential areas for joint working.

- 3.30 Whilst Bexley and Bromley are primarily looking at opportunities in back-office services, Croydon presented many front-line areas that they would be interested in delivering in conjunction with Bexley and/or Bromley.
- 3.31 Bexley and Bromley have agreed to ensure that newly let contracts will have piggy-back clauses written into them.
- 3.32 Bromley's new IT and telephony contract, let to Sunguard in conjunction with Lewisham, as well as the new Exchequer services contract both have a piggy-back clause allowing members of South-East London E-governance Services Group (SELEG) and the London Contracts and Supplies Group (LCSG) to join the contract and take on part of the contract cost.
- 3.33 The Organisational Improvement Team will continue to track and monitor the shared service projects between meetings to ensure that projects are progressing and that as many opportunities as possible are being identified.

**Organisational Design**

- 3.34 As an inevitable consequence of the financial challenges the organisation faces, the structure of the organisation needs consideration and scrutiny.
- 3.35 The Chief Executive has recently announced the merger of the Legal, Democratic and Customer Service Department with the Resources Department. Further exploratory work, supported by the Organisational Improvement Team, is now underway to ensure our structure is as efficient and effective as possible and aligned to Members' objectives.

**4 POLICY IMPLICATIONS**

- 4.1 Although it is not possible to provide specifics the nature and scope of the programme will be likely to have an impact on existing policies such as HR.

**5 FINANCIAL IMPLICATIONS**

- 5.1 As the business cases for these projects will/have been largely making the case for investment on an 'invest to save' basis and to be funded through 'capital', efficiency savings achieved through capital investments will mean changes and longer term savings to current revenue spend.

**6 LEGAL IMPLICATIONS**

- 6.1 No obvious legal implications at this stage

**7 PERSONNEL IMPLICATIONS**

- 7.1 All the projects mentioned above will have personnel implications as we continue to move towards a well skilled but smaller workforce.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	

## Organisational Improvement Programme Management Highlight Report

<b>Highlight Report</b>	<b>Overall RAG Status</b>	
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<b>To</b>	I&E sub-committee				
<b>Project / Programme Name</b>	Organisational Improvement Programme	<b>Reporting Period</b>	30 <sup>th</sup> October 2010	<b>To</b>	1 <sup>st</sup> January 2011
<b>Report Author(s)</b>	Organisational Improvement Team	<b>Stage / Status</b>	Definition/Implementation		
<b>Start Date</b>	Oct 09	<b>Proposed End Date</b>			

### Management Summary

Both COE and the I&E Sub Committee have approved the creation of a single Organisational Improvement Programme, aimed at bringing together 3 key strands of work; Customer Access; Office Accommodation and Flexible Working and Back Office reform in order to deliver both efficiencies and improvements across the council.

The main project areas have been signed off by COE and the I&E Sub-Committee. A summary of these projects is below.

## Organisational Improvement Programme Management Highlight Report

Key progress during reporting Period	Risks and issues to be raised for information or escalated	Tasks planned for next period	RAG status
<b>Work Stream: Agency Staff</b>			
<ul style="list-style-type: none"> <li>• Detailed analysis of expenditure across all departments, functions, etc. carried out.</li> <li>• Report to Chief Officers presented.</li> <li>• Chief Officers reviewed their departments use and spend – reported 28/7.</li> <li>• HR have issued revised vacancy management procedures to increase controls.</li> <li>• Depts continued to use agency staff to fill temporary roles and to help manage vacancies /possible redeployment requirements pending future decisions on overall budgets.</li> </ul>	<p><b>Main Issues:</b></p> <p>100% increase in agency spend since 2008/09 to projected £12m this year based on £6.24 M first half year and no downward trend evident to date .</p> <p>Strong managerial controls over recruitment of permanent posts but less so over agency staff. Some positive use of agency to avoid taking permanent staff on for temporary roles.</p> <p>Some services can't recruit permanent staff and have to resort to agency, e.g. children's social care.</p> <p>Legal changes on status and rights of agency staff wef October 2011.</p> <p><b>Risks:</b></p> <p>Continual reliance on agency staff has inherent risks and costs. – continuity, retraining, induction, etc</p> <p>Managers choose to work around procedures and avoid engaging potential displaced staff.</p> <p>Reduction in use of agency does not happen from April when new years budget limits are in place.</p>	<ul style="list-style-type: none"> <li>• No immediate actions planned – anticipate reduction in agency spend wef new budget year</li> <li>• Procurement working with agency to control costs.</li> <li>• Continue to track trends and recommend action if expected reductions do not happen.</li> </ul>	<p><b>GREEN</b></p>

## Organisational Improvement Programme Management Highlight Report

### Work Stream: *Office Accommodation*

#### Summary Position

- Strategic decisions made 8 Dec 2010 - Executive approved proposals in principle for £2M refurbishment programme to upgrade civic centre offices and release three buildings by 2012/13 financial year.
- Revenue savings identified at £473K pa, excluding any potential capital receipts.
- Decisions subject to consultation with Leader and Resources Portfolio Holder prior to placing orders for significant work s.
- Aggressive (12 month) timetable set to ensure no delays in sale of Old Town Hall, provide just enough time for contractors to complete specified works and realise savings as soon as possible.
- Public protection to reduced their use of space by half following flexible working pilot.

#### Main Issues:

- Limited funding will mean we have to compromise on allocation of space, refurbishments and equipment. Original plans have been changed accordingly.
- Timescales mean that decisions on space, specific requirements, etc. will need to be made quickly and fixed to enable works to be tendered in time.
- Anticipate archive storage requirements will need to be resolved, particularly if old town hall sale progresses quickly.

#### Immediate priorities:

- Initiate communications with staff generally and specifically with each department.
- Agree plans with each department to enable works to be specified and tendered ASAP.
- To that end arrange consultations with Directors to consider draft plans and agree any specific amendments (January).
- Director of Legal, Democratic & Customer Services to consult Directors on revised reception design and associated operational changes.

**GREEN**

**Work stream: Customer Contact Led Improvement**

**Website Upgrade**

**Work completed:**

A report requesting the following recommendations went through E&R PDS and The Executive in September:

The Executive agreed:

- to release the Capital funds required to upgrade and deliver a modern, flexible and user friendly website to our residents (£142k)
- to replace our current web support which will produce revenue savings of £20k per annum
- that the contract be awarded to Jadu Limited (£75k capital, £10k ongoing annual support)
- that I.S tender for the replacement of the current web infrastructure and hosting through Office of Government Commerce (OGC)

Since then:

- All content reviewed
- New designed completed after extensive consultation (inc Member working party)
- New templates built
- New hosting/servers procured
- Training on new software completed

**Issues:**

Limited resource in the BK team to complete the upgrade in the tight time frame allowed. (Bid for grad trainee)

Prioritising as not all new functionality can be added by 1<sup>st</sup> April. New functionality we continue to be added thereafter

Getting new servers up in time (Jan) to give BK team enough time to migrate content

**Risks:**

That Members and Officers want further functionality coming out of the Member working party that cannot be met within the timeframe and initial capital budget.

**Work planned:**

The project is now well underway and still progressing on time and to budget:

Work planned over the next few months ready for Go-live on April 1<sup>st</sup>.

- Migrate 4,000 pages of content – plus 3 sub sites
- Test and set up new servers and hosting arrangements
- Work with new X-forms product to pilot new e-forms
- Tender new e-bookings solution
- Categorise all content using Local Government metadata
- Refine search engine
- Create new image library
- Investigate integration with social media to encourage channel shift
- Sign off re-design of website

**GREEN**



## Organisational Improvement Programme Management Highlight Report

### Work stream: *Customer Contact Led Improvement*

<p><b>CCC Service Migrations</b></p> <p><b>Work Completed:</b></p> <ul style="list-style-type: none"> <li>• Business case for migration of Registrars into CCC with review of processes agreed.</li> <li>• Trial of Landscapes helpdesk migration postponed till April due to other events in CCC e.g. Food waste go live, VR go live etc.</li> <li>• Final 'snagging items' from EHTS/Streets migrations completed by IS.</li> <li>• List of services with highest email &amp; call volumes was presented to CFG on 10 December</li> </ul>	<p><b>Issues:</b></p> <ul style="list-style-type: none"> <li>• Most appropriate (high volume/low complexity) calls have been migrated into CCC. Effort for further migrations delivers disproportionate returns.</li> <li>• Work around amalgamating receptions and plans to consolidate all customer services under one new directorate tie in with the migration work and may mean that the timings of both projects should be synchronised</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Services are unable to release sufficient resources to justify service migrations and create savings</li> </ul>	<p><b>Work Planned</b></p> <ul style="list-style-type: none"> <li>• Progress with Registrars migration / process review once e-booking system procured at end Jan.</li> <li>• Take presentation and feedback from CFG to OIP Board on 10 Jan to agree next phases of service migrations</li> </ul>	<p><b>AMBER</b></p>
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## Organisational Improvement Programme Management Highlight Report

<p><b>Voice Recognition</b></p> <p><b>Phase 2 – External Rollout</b></p> <ul style="list-style-type: none"> <li>Data for the external roll out has now been uploaded onto the Telephonetics system.</li> <li>Go Live – Mid January 2011 (TBC)</li> </ul> <p><b>Phase 3 – Report It</b></p> <ul style="list-style-type: none"> <li>Visit to Croydon Council; figures received from callers using the VR system to report a missed bin are approx. 75 per day.</li> <li>Solution Specification document received from Telephonetics for the missed waste collection service. Project team to review document and make any necessary amendments.</li> <li>Process mapping completed for the call flow.</li> </ul>	<p><b>Main issues</b></p> <ul style="list-style-type: none"> <li>List of departments is not fully comprehensive. This will continue to be populated on a planned basis as requests and feedback come through from members of staff and Members</li> </ul> <p><b>Phase 1 &amp; 2 Issues / Risks</b></p> <ul style="list-style-type: none"> <li>VR software does not accurately redirect calls and leads to avoidable contact being made with remaining human switchboard operators/customer dissatisfaction.</li> <li>Possible risk with data quality relating to phone numbers within the council – work around this issue is ongoing</li> <li>Implementation of third phase (end to end) call handling may be delayed by availability of appropriate IS resource.</li> </ul> <p><b>Phase 3 Issues / Risks</b></p> <ul style="list-style-type: none"> <li>If name capture functionality is not purchased, records may not match up to the CRM system which will then in turn create multi records.</li> <li>Issues with waste collections for flats / shared accommodation – due to different bins / size etc.</li> </ul>	<p><b>Future work will include:</b></p> <p><b>Phase 2 – External Rollout</b></p> <ul style="list-style-type: none"> <li>Testing of the data will take place before the external rollout to the public which will initially be performed within the Organisation Improvement Team</li> <li>Testing to then be rolled out into the relevant departments to ensure the information is accurate before external go live.</li> </ul> <p><b>Phase 3 – Report It</b></p> <ul style="list-style-type: none"> <li>Decision to be made around purchasing the name capture (spell and speak) functionality in order for the calls to be matched correctly within the CRM system.</li> <li>Development work required around the firewall and security to enable the ContactPortal ® system to access the CRM web service used within the Customer Contact Centre / Waste Services.</li> </ul>	<p style="text-align: center;"><b>GREEN</b></p>
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**Work Stream: Shared Services**

<p><b>Bromley/Bexley Shared Services Board</b></p> <p>A joint Board made up of both Borough Chief Executives and key Chief Officers has been formed to discuss the potential for closer working between the two organisations in order to reduce costs and/or improve services, meeting every 6 weeks.</p> <p>The Organisational Improvement Team supports the Board from Bromley's side.</p> <p>Three main workstreams have emerged for early progress and focus:-</p> <ul style="list-style-type: none"> <li>• Customer Services</li> <li>• Contract Spend / Procurement</li> <li>• Support and Professional Services (inc. finance, ICT, HR, legal and electoral)</li> </ul> <p>A shared services protocol has been agreed between Bromley and Bexley</p> <p>Broader discussions regarding shared services are also being taken forward by officers across the organisation on an opportunistic basis. This is now being coordinated by way of the OIP board.</p>	<p><b>Main issues:</b></p> <ul style="list-style-type: none"> <li>• Bexley do not have a formal project team supporting the work of the Shared Service Board as efficiency projects are delivered through teams in each service area – this may be mitigated in the first half of 2011 due to a management restructure freeing up some resource for shared service project support</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Not enough project team/officer resource in either LA to progress and implement workstreams</li> <li>• Political/officer resistance in either LA towards joint working in certain areas may mean rate of progress is slowed</li> </ul>	<p><b>Actions Planned</b></p> <ul style="list-style-type: none"> <li>• Chief Executive of Bromley to brief Head of HR on taking forward this stream of work (e.g. payroll, shared bureau side).</li> <li>• Deputy Chief Executive to progress joint procurement and contracting work stream with Mike Ellsmore as well as shared financial services (Bexley)</li> <li>• Assistant Director OIP met with Director of Customer Services (Bexley) to discuss opportunities around shared accommodation</li> <li>• Opportunities for joint working around new public health function to be considered</li> <li>• Chief Executives of Bexley &amp; Bromley met Chief Exec of Croydon to discuss possibilities for shared services and Croydon representatives invited to next meeting of the Chief Executive group on 27<sup>th</sup> January</li> </ul>	<p align="center"><b>AMBER</b></p>
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Report No.  
CEO1166

## London Borough of Bromley

### PART 1 - PUBLIC

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**Decision Maker:** Improvement and Efficiency Sub Committee

**Date:** 19 January 2011

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** OFFICE ACCOMMODATION STRATEGY

**Contact Officer:** Bill Ford, Head of Improvement, Efficiency & Effectiveness  
Tel: 020 8313 4483 E-mail: bill.ford@bromley.gov.uk

**Chief Officer:** Doug Patterson, Chief Executive  
Marc Hume, Director of Renewal & Recreation

**Ward:** Bromley Town

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1. Reason for report

- 1.1 This report provides the Improvement and Efficiency Sub Committee with an update on progress and plans to improve the utilisation and efficiency of existing office accommodation on the civic centre site with a view to determining clear short and longer term strategies to improve the efficiency of our office accommodation resources.
  - 1.2 The Sub Committee has been kept informed of the general thrust of the work through the regular highlight reports submitted to each meeting, and further details are included in the attached copy of the report to the Executive on 8<sup>th</sup> December 2010 which summarised the programme, with associated costs and benefits, and which sought approval of the funding required. The Executive agreed the proposed programme, subject to officers consulting with relevant Members throughout to provide assurance on the need for, and value of, certain works.
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2. **RECOMMENDATION(S)**

- 2.1 Members to note.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Vibrant Thriving Town Centres.
- 

### Financial

1. Cost of proposal: Estimated cost £2M
  2. Ongoing costs: Non-recurring cost.
  3. Budget head/performance centre: Property Division
  4. Total current budget for this head: £2M
  5. Source of funding: Capital
- 

### Staff

1. Number of staff (current and additional): c 500 staff affected by proposed moves
  2. If from existing staff resources, number of staff hours: N/A
- 

### Legal

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

- 3.1 Officers have been working with Gleeds, a specialist management and construction consultancy firm, on potential options for improving the utilisation and efficiency of the Council's office accommodation. That work, which has included consultation with Members, concluded that some short term investment in the civic centre campus would enable the Council to achieve some efficiency savings over the next few years, and would also contribute towards the Council's aim to release surplus buildings, specifically the Old Town Hall which has recently been placed on the market for sale.
- 3.2 The outcome of that work is set out in the attached report to the Executive which summarises the programme, estimated timescales, costs and outcomes expected to be delivered. In summary a programme of works costing £2M will enable us to release three office buildings, one of which is the Old Town Hall, upgrade and update significant parts of this campus, and deliver at least £473K per annum from April 2012. Vacating the buildings also offers the potential for additional financial benefits through sale and/or rental income from those properties.
- 3.3 Since the Executive approved the programme, officers have started more detailed work, initially consulting with Departments on their use of space and specific requirements and defining additional main reception self-service/payment facilities and associated matters. Once details have been finalised the specification and tender process will be done, and the detailed schedules for staff movements will be planned and organised. The process will be supported by communications throughout.
- 3.4 The project implementation will be done on a day to day basis by a small officer project team, which will meet weekly to keep on top of what is an aggressive schedule. The team will report in to Chief Officers via the Organisational Improvement Board to ensure any issues likely to cause delay are escalated and addressed swiftly. Members will be kept abreast of progress through the highlight reports covering the Organisational Improvement Programme.

### 4. FINANCIAL IMPLICATIONS

- 4.1 As set out in detail in the report to the Executive. Overall, for £2M expenditure savings of £473k will be made starting 2012/13. The payback period on this basis would be 4.2 years.

<b>Non-Applicable Sections:</b>	Policy, Legal, Personnel
Background Documents: (Access via Contact Officer)	Report (CE1065) to Executive 8 December 2010 - Office Accommodation Strategy  Report to Cabinet - Office Accommodation -Development Options, 10/09/2010  Consultants report - Bromley Council development options for the civic centre campus, July 2010

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Report No.  
CE1065

## London Borough of Bromley

### PART 1 - PUBLIC

**Decision Maker:** COE/Executive

**Date:** 8 December 2010

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** Office Accommodation Strategy

**Contact Officer:** John Turner, Chief Property Officer  
Tel: 020 8313 4404 E-mail: john.turner@bromley.gov.uk

Bill Ford, Head of Improvement, Efficiency & Effectiveness  
Tel: 020 8313 4483 E-mail: bill.ford@bromley.gov.uk

**Chief Officer:** Doug Patterson, Chief Executive  
Marc Hume, Director of Renewal & Recreation

**Ward:**

#### 1. Reason for report

- 1.1 This report sets out a proposed set of alterations for the civic centre office accommodation to improve the efficiency and utilisation of the existing buildings, and seeks Members' approval to fund the works, estimated at £2 million in total of which £1.4 million is provided for in the current capital programme.
- 1.2 This proposal is in line with the strategic review carried out by Gleeds, a firm of external Property specialists, the conclusion of which was that an accommodation strategy which addressed short and longer term issues would be the most effective way to make best use of our offices.
- 1.3 Short term (around 5 years) would entail approving some limited investment in the civic centre to undertake essential maintenance works and create more open plan space in the most suitable buildings. In turn this will help accommodate more staff and enable closure of the least efficient buildings by the end of next financial year (2011/12).
- 1.4 It will also enable the vacant procession of the Bromley Town Hall for proposed alternative use in line with aspirations around Town Centre regeneration, and the Area Action plan.

#### 2. RECOMMENDATION(S)

- 2.1 Members are requested to increase the provision of £1.4m that exists in the capital programme for works associated with the Town Hall disposal.
- 2.2 Members note that should the Town Hall receipt not be delivered it may require the utilisation of some revenue reserves.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Vibrant Thriving Town Centres.
- 

### Financial

1. Cost of proposal: Estimated cost £2M
  2. Ongoing costs: Non-recurring cost.
  3. Budget head/performance centre: Property Division
  4. Total current budget for this head: £0
  5. Source of funding: Capital
- 

### Staff

1. Number of staff (current and additional): c 500 staff affected by proposed moves
  2. If from existing staff resources, number of staff hours: N/A
- 

### Legal

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

- 3.1 Members have previously received presentations by Gleeds, a specialist management and construction consultancy firm, on potential options for improving the utilisation and efficiency of the Council's office accommodation. Gleed's work, supported by officers, concluded that long term (at least 5 years plus) there could be opportunities to consider incorporating new purpose built civic offices as part of the implementation of the Area Action Plan (AAP).

In the meantime it was proposed that it would be necessary to make some limited investment to the civic centre to undertake some essential works to the external envelopes of buildings, and make alterations to the internal layouts to facilitate the increased occupation levels planned.

Officers consider that the minimum investment needed to execute these works will be approximately £2 million. These works will improve the overall operating efficiency of the buildings, including reduction of energy consumption and carbon production, and will allow the relocation of staff needed to provided vacant occupation of the Town Hall and the decommissioning of Ann Sprigman and Joe Lancaster buildings.

In the event that the relocation development option as part of the AAP is not pursued, these works would provide a sound contingency for continued use of the buildings in a more cost and energy efficient way, and would not compromise any future plans for the further development of the site

Officers have been planning how best to undertake this programme in order to;

- Get the best value from any refurbishment works within the estimated cost limits.
- Facilitate departmental and service requirements which have been sought through consultation with Chief Officers.
- Deliver efficiency savings as soon as possible through improved energy efficiency of buildings, closure of the two most inefficient buildings, and by vacating the old town hall which has been put on the market for sale.

- 3.2 In order to meet these objectives in the most cost effective and expeditious way the main elements of the proposed project are summarised below;

- Relocation of Council staff to provide vacation possession of the old town hall which is being marketed to support the Council's aspirations around town centre redevelopment priorities.
- Release Ann Springman House and Joseph Lancaster House, with the resultant revenue savings and avoiding the maintenance backlog of £480K.
- As far as possible bring disparate departmental teams closer together to help operational management and efficiency. In particular enable CYP to bring their front line safeguarding and referral /assessment teams together for service management reasons.
- Accommodate the Coroner's Service, and gain agreed rental income of £45K pa
- Accommodate potential Public Health/ PCT staff with the possibility of further rental income of c £60K should agreement to share accommodation be made
- Complete the flexible working/space reduction pilot for Public Protection to reduce office space by 50%.
- Accommodate the revenues & benefits service provided by Liberata who are currently in the old town hall.

### 3.3 Overview of Main Elements of Schedule

In order to make the most effective use of the estimated budget, subject to members' approval, an approach has been developed which concentrates investment; on the buildings which offer the best ratio between the amount of work required; the costs involved; the creation of extra open plan space released; the number of people who can be accommodated; and minimises staff disruption:

- Works to 1st floor St Blaise.
- Staff move from North Block to vacant space across the civic site.
- North Block works completed.
- Relevant staff move into North Block.
- CYP staff move into St Blaise and Palace.
- All three buildings vacated to deliver capital and/or revenue savings.
- Demolition or short term letting of Ann Springman and Joe Lancaster buildings

### 3.4 Additional (independent) Work

Alongside the main programme described above some additional minor works may need to be done in Stockwell building to facilitate accommodation for Public Health/PCT staff and assist the Director of legal, democratic & customer services to further rationalise initial customer contact at the main reception point. These works will be contained within the overall estimated cost limits.

Potential Accommodation of Public Health/PCT staff.

There is a possibility that accommodation could be provided for the staff from the Health Service. Strategically it makes sense to place these in Stockwell building (floor 3) as close to the Adult & Community Services (ACS) senior management and commissioning staff as possible. This will also enable Finance staff currently located with ACS to move to join their own department (on Stockwell floor 2). This will require minor alterations to partitioning to provide further desk provision.

It is expected that health will pay rent for the space used which based on current information is estimated to be approximately £60K per annum.

Reception

The Director of Legal, Democratic and Customer Services is already leading on initiatives to improve customer service, including self service, through integrating more initial service contacts into the customer service centre and upgrading the web platform to improve on line access to information to enable customers to carry out their transactions with the council electronically where it suits them to do so. This is also consistent with Supporting Independence being led by ACS. This programme seeks to assist those initiatives with some modest additional facilities in main reception to help customers to self serve and make payments, as well as providing secure interview facilities in North Block. This can be done within the estimated overall cost limits.

At a practical level the following table sets out the main interdependent elements of work:

	Brief description	Comments
St Blaise 1 <sup>st</sup> floor	<p>Minor alterations to floor layout to increase open plan space with appropriate upgrade to ICT infrastructure, communications, modular furniture &amp; equipment.</p> <p>To complete before January 2011</p>	<p>Will enable increased number of occupants by c 30%.</p> <p>Public Protection reduce to 50% space. Rest of floor to be used as decant space whilst works carried out in North Block.</p> <p>Finally CYP are able to move from old town hall and accommodate safeguarding and assessment/referral teams together.</p>
Staff decant into current vacant space.	<p>Minimal alterations to IT infrastructure, communications and electrical installation. Move furniture and ICT equipment from St Blaise and North Block to all vacant space.</p> <p>Decant all staff teams from North block – by April 2011.</p>	<p>Minimal works are needed to decant space and avoids extended use of old town hall.</p> <p>Enables Contractor to have exclusive possession of site with commensurate time and costs savings.</p>
North Block	<p>April – October 2011.</p> <p>Removal of all internal demountable partitioning to provide open plan space. Changes to the IT infrastructure, communications and electrical power installation. Replacement low energy lighting system. Redecoration and replacement floor finishes where required. Provision for modular furniture.</p> <p>Replace existing steel crittall windows with low maintenance double glazed units. Insulate spandrel panels. Replace roof coverings which are at the end of their economic life including for insulation.</p>	<p>Increases capacity of North Block by c 70% dependent on agreed layouts</p> <p>Provides secure interview facilities to be used departments and revenues &amp; benefits contractor with office space on ground floor.</p> <p>Once complete accommodates ESD and R&amp;R directorates, Housing and Contractor staff.</p>
Staff Moves	<p>November /December 2011</p> <p>All ESD, R&amp;R, Housing, Liberata staff move from existing locations into North Block.</p> <p>November /December 2011</p> <p>CYP staff move from existing locations into St Blaise and Palace, East &amp; West Wings.</p>	<p>Once completed delivers all 3 buildings by 2012/13 financial year, i.e.</p> <ul style="list-style-type: none"> <li>• Old Town Hall,</li> <li>• Joseph Lancaster House,</li> <li>• Ann Springman House</li> </ul>

### 3.5 Departmental Staffing Implications

Chief Officers have been working towards more cohesive and efficient accommodation arrangements for some time, and as far as possible within estimated budgets this plan will enable improved co-location arrangements compared to those that presently exist.

In particular this will enable CYP to bring together their front line safeguarding and referral & assessment teams which has been a priority for the Director of CYP to help improve operational performance, efficiency, as well as recruitment and retention of this key staff group.

Efforts have been made to minimise the number of moves and disruption to staff. Effectively only staff currently accommodated in North Block will be required to move into temporary accommodation within the civic centre whilst works are being undertaken to their new accommodation. Everyone else will be able to move from their current to their new locations in one go.

There is no doubt however that this overall programme will be very disruptive for staff and managers. For some staff, they will be moving into a very different style of working environment which will be exacerbated because of the very aggressive timescale needed in order to try to deliver savings, and to avoid contributing to any possible delay on sale of the old town hall.

This means that any issues such as exact locations of teams, office layouts and storage (both in offices and off site) will need to be resolved as swiftly and efficiently as possible. To that end Property Division and the Organisational Improvement Team will work together with Directors and managers to make all matters run as smoothly as possible.

### 3.6 Four different but interrelated work streams will need to be managed concurrently to tie all the issues together:

- Specification, tendering and overall project management of the refurbishment works.
- Communications - incorporating information about any changes affecting the public, general information for Members and staff and specific, detailed communications with those staff directly affected.
- Storage - to address any issues which may arise concerning storage. This will certainly be necessary for the old town hall as a significant amount of archived filing is stored in the basement which will have to be moved to provide full vacant possession to any purchaser, but in some areas staff have accumulated vast amounts of material which will not all be able to be squeezed into the more densely populated office environment. At this stage it is not known exactly what the best solution for any team will be but it is anticipated that some off site storage arrangements will have to be made. It is also possible that more electronic solutions could be found workable for some teams. The risk with the latter is successfully achieving this kind of change within the timescales.
- Office layout and staff movements – this work stream will seek to work with departments to achieve the best future office arrangements, the most effective organisation of teams within each office layout and also to schedule staff moves to be as smooth as possible with minimal disruption to staff and no disruption to services.

A summary of proposed future usage of the civic centre buildings by departments is summarised below:

<b>By Department</b>	<b>Future Accommodation</b>
<b>ACS</b>	As now - 3rd floor of Stockwell, shared with potential for Public health/PCT staff to share space Part of 1 <sup>st</sup> floor Stockwell Ground and/or 1 <sup>st</sup> floor North Block -- Housing
<b>CYP</b>	Whole of 1st Floor St Blaise Most of ground floor St Blaise 2 <sup>nd</sup> floor Palace plus rooms vacated by Chief Execs (east and west wing) As now - 1 <sup>st</sup> floor East Wing (part) As now - 1 <sup>st</sup> floor Stockwell
<b>ESD</b>	North Block (including at least 1 full floor, Rochester block and additional floor space if needed)
<b>R&amp;R</b>	North Block. No plans to alter current planning documents storage rooms.
<b>C/Execs</b>	No change to current space.
<b>L&amp;D</b>	As now – no changes
<b>Resources</b>	As now - 2 <sup>nd</sup> Floor Stockwell, including Finance team move from 3 <sup>rd</sup> floor Stockwell to 2 <sup>nd</sup> floor to enable health staff to join ACS. Distributed finance teams stay with relevant departments locations as now
<b>Liberata (revs and bens contractor)</b>	North block (ground and/or 1 <sup>st</sup> floor )

#### 4. FINANCIAL IMPLICATIONS

- 4.1 There is budget provision set aside in the Capital Programme of £1.4m for conversion of the Sports Hall (Adventure Kingdom), Civic Centre, for office use. This was originally envisaged to enable the relocation of Liberata from part of the Town Hall to the Civic Centre to allow the disposal of the town Hall with vacant possession. The proposal was for the cost to be covered by the receipt from the disposal of the Town Hall and South Street car park. Approval is sought to increase the provision of £1.4m that currently exists in the programme to £2m.
- 4.2 The capital programme and receipts are currently being re-modelled. Should the Town Hall disposal not be received then the cost of this scheme may require the use of some revenue reserves.
- 4.3 The revised programme of refurbishment for the Civic Centre will increase office space available in St Blaise by 30% and north Block by 70%. This will enable Liberata to vacate the Town Hall and create the opportunity of rental income/cost avoidance to the council if the option of moving onto the Civic centre is agreed, estimated at £240k. Further opportunities for other partner agencies or contractors to share accommodation are being explored.

<b>New rental income from increased office space</b>	<b>£'000</b>
Coroners Court (agreed)	45
Public Health/PCT (Potential)	60
Total	105

- 4.4 The revenue savings are estimated at £368k after the closure/ sale of the three buildings from Business rates, energy and facilities.

<b>Revenue savings from planned closures/sale</b>	<b>£'000</b>
Ann Springman & Joseph Lancaster	150
Old Town Hall – taking the sale into account	218
Total	368

- 4.5 The savings realised will have a full year effect in 2012/13, however, there maybe some savings in 2011/12 which currently remain uncertain and difficult to quantify. The combined new income streams and revenue savings would produce a reduction on the budget in 2012/13 of £473k. The payback period on this basis would be 4.2years. It should be noted that the scheme also deals with the potential maintenance backlog relating to Joseph Lancaster and Ann Springman House of £480K over 10years.
- 4.6 The figures quoted above do not include savings that would be made from the co-location of services within one area.



- 4.7 The refurbishment costs include the creation of self service areas in the main reception. This is an essential strand to deliver the required channel shift which will realise savings in the contact centre in the longer term. These savings have been included in the savings scenarios of 25%. These will be considered separately as part of the 2011/12 budget setting.
- 4.8 The proposal also provides significant non-financial benefits as detailed elsewhere relating to customer assess and co-location of teams.

Approximate costs of works

Location	Description of works	Approx costs £
St Blaise 1 <sup>st</sup> floor	IT installation including VOIP	40,000
	Alterations to electrical installation	20,000
	Minor building adaptations	10,000
	Modular furniture to enable reduced space standard	27,000
St Blaise Gnd floor	Minor alterations to partitioning, electrical installation and IT installation	Provisional sum 30,000
North Block	Replacement roof with insulation	87,000
	Replacement windows and insulated spandrel panels	580,000
	Removal and disposal of demountable partitioning	20,000
	Stripping out redundant IT and electrical infrastructure	20,000
	New IT installation including VOIP	180,000
	Electrical distribution	130,000
	Making good, redecoration where needed and replacement floor finishes	156,000
	Provision of Fire doors, etc	14,000
	Alterations to fire alarm	25,000
	Suspended ceiling and lighting installation	220,000
	Modular furniture to enable reduced space standard	200,000
	Provision of partitioning to form secure interview facilities	50,000
	Top floor Palace and associated wings	Minor alterations to electrical installation
Minor alterations to IT installation		20,000
General overall costs	Removals	50,000
	Miscellaneous works (reception self service, etc)	50,000
	Contingency	50,000
	<b>TOTAL</b>	<b>2,000,000</b>

**Potential capital receipt Joe Lancaster/Ann Springman**

- 4.9 There will a potential capital receipt of approximately £1 million for the sale of this part of the site. Members will be aware that is dependant on planning approval, the state of the market at the time of sale, and whether the development is sold as an individual package (i.e if the decision is taken remain on the Civic Centre site longer term), or as part of a wider development (if the option is taken to relocate to the town centre).

## 5. PERSONNEL IMPLICATIONS

- 5.1 The major immediate effect on staff of these plans will be to cause disruption as staff will be required to move, some to temporary locations for a period of up to around 7 months.
- 5.2 The timescales proposed have been set in order to vacate the town hall and realise any financial gains as quickly as possible and therefore it will be vital to make sure that communications and decision making are clear and effective throughout the process. To that end Property Division and the Organisational Improvement Team will work together with Directors and managers to make all matters run as smoothly as possible.

<b>Non-Applicable Sections:</b>	Policy, Legal
Background Documents: (Access via Contact Officer)	Report to Cabinet - Office Accommodation -Development Options, 10/09/2010  Consultants report - Bromley Council development options for the civic centre campus, July 2010

**Stockwell**  
floors G -3

ACS + Public Health

Resources

Registrars, CYP, ACS

As Now – CSC &  
Exchequer

**North Block**  
floors G -3

R&R

R&R/Housing

ESD (incl Rochester block)

Secure Interview facilities  
Housing, Revs & Bens

**Yeoman**

ACS

**Walnuts**

ACS

**West Wing**  
floors G -2

CYP, L&D

As Now L&D

As Now –  
Committee suite

**Palace**  
floors G -2

CYP

As Now C/Execs

As Now - Members

**East Wing**  
floors G -2

HR & CYP

HR & CYP

As Now L&D, Occ'  
Health

**St Blaise**  
floors G -1

CYP

CYP, Coroner's Service  
Central Post svcs,

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