

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**

DATE: **THURSDAY, 11 JULY 2013**

REPORT BY: **DIRECTOR OF ENVIRONMENT**

SUBJECT: **ASSET MANAGEMENT AS A FLINTSHIRE FUTURES WORKSTREAM**

1.00 **PURPOSE OF REPORT**

1.01 To provide an update on the Assets Workstream within the Flintshire Futures Programme.

2.00 **BACKGROUND**

2.01 The majority of our corporate property portfolio is offices and staff accommodation with County Hall being by far the largest and least efficient. The last condition survey identified that there is a backlog £6million of maintenance required; an update has been commissioned and work is being concluded to finalise this re-survey work.

2.02 The current space allocation is almost 12sqm per desk and as there is mostly a 1:1 desk/person provision this equates to an annual cost of £1280 per desk/person. By modernising the way we work and reducing the space provision to 8sqm per desk this can be reduced to £600 and by reducing the desk provision to 1 desk for 2 people the cost per person could be reduced to £300, over a 76% reduction.

2.03 In addition to this we can reduce the amount of storage space we currently use. In County Hall, 10% of the net internal area is dedicated for storage use (that's almost 10 tennis courts and excludes space within offices for filing etc). This costs £156,000 per year. By implementing Electronic Document Management, dedicated storage space can be reduced to 2% of floor area; in a smaller building this could mean a reduction in running costs of £130,000 each year.

2.04 It's important to reiterate the areas the assets workstream touches on within other workstreams of the Flintshire Futures Programme. For example:-

- Human resources and the development of supportive policies that assist a transition from current to future (agile and mobile working);
- Document management through electronic document scanning, retention and retrieval;

- Development of agile and mobile ways of working through the use of new technologies;
- Intensification of building use and a cultural change from employees presenteeism to output based management by objectives;
- An employer of choice;
- Efficiency savings through the increased utilisation of space leading to an overall reduction in core office requirements;

2.05 What we are seeking to do, therefore, is move from a traditional cellular office based approach to one which is highly responsive, flexible and which uses space intensively and is supported through modern technology.

2.06 Targets have been set within the workstream and these are set out below:-

- Reduction in floor space from 12m² to 8m² per person, this will continue to reduce further in time;
- Reduce level of storage from 10% to 2% (this could mean a reduction in running costs of £120k pa or more);
- Reduce floor space to 50% by 2016;
- Reduce office costs by 50% by 2016;
- 95% of the workforce to be mobile or agile workers by 2016;
- explore a total facilities management solution involving the integration of a number of hard and soft FM functions such as security, CCTV, Maintenance and Repairs, campus management, cleaning and catering;
- Increase the number of assets offered up on the basis of Community Asset Transfers.

3.00 CONSIDERATIONS

3.01 As noted previously County Hall is an expensive building to run and maintain as it is largely cellular and not efficient in its use of space. Officers are currently exploring a number of options in relation to the Mold Campus accommodation which involve do nothing (which is not sustainable) to a major relocation. Clearly agile and mobile working will enable us to reduce our existing footprint and office requirements and in doing so create efficiencies, through reduced running costs. It will also enable significant step change to be undertaken in terms of organisational design and management allowing us to plan our future service models more robustly. This information will support the development and certainty around key aspects of the Medium Term Financial Plan.

3.02 As outlined earlier, the organisation should be adopting the key principles of agile and mobile working now. This includes reducing the significant volumes of paper currently being stored in most offices, increasing the utilisation of office space detailed in the report and

working towards these accommodation standards, as well as making more efficient use of our conferencing facilities. The speed of this change needs to be accelerated and a more 'can do' attitude needs to be adopted.

3.03 We are continuing the work to review our current third party lease arrangements with commercial organisations and where it is appropriate and cost effective to do so we are terminating these arrangements at suitable lease break points or termination dates.

3.04 As part of a wider property asset review linked to the Assets Workstream of Flintshire Futures, we will be undertaking a fundamental review of the entire Councils asset base to establish its efficiency, effectiveness, age, location and number. The overall outcome of this workstream will be to identify opportunities for space sharing, reduce duplication and over provision and create efficiencies. We will also, as part of this work, consider alternative and more innovative funding mechanisms which may assist in leveraging in additional capacity and value.

4.00 RECOMMENDATIONS

4.01 That Members note the report.

5.00 FINANCIAL IMPLICATIONS

5.01 Efficiencies will be created through the rationalisation of space and development of New Ways of Working (NWOW) which will feed in and support our MTFP.

6.00 ANTI POVERTY IMPACT

6.01 Not as a direct result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 Should be positive in terms of reducing energy and hence carbon emissions.

8.00 EQUALITIES IMPACT

8.01 Positive in improving access opportunities for those with disabilities.

9.00 PERSONNEL IMPLICATIONS

9.01 Not as a direct result of this report.

10.00 CONSULTATION REQUIRED

10.01 Key stakeholders and Members is ongoing activity.

11.00 CONSULTATION UNDERTAKEN

11.01 Report to Scrutiny on 11th October 2012.

11.02 Report to Scrutiny on 17th January 2013.

12.00 APPENDICES

12.01 None.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

None included.

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