

WEST NORTHAMPTONSHIRE COUNCIL

CABINET

CABINET MEMBER FOR FINANCE – Councillor Malcolm Longley

8 November 2022

Report Title	Outcome of the Call-In of the Cabinet Decision of 11 October 2022 – Item 13 Office Optimisation Stage 1 building adaptations budget and disposal
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List of Appendices

None

1. Purpose of Report

- 1.1 To inform Cabinet of the outcome of Corporate Overview and Scrutiny Committee's findings following the call-in of the Cabinet decision of 11 October 2022 on Office Optimisation Stage 1 building adaptations budget and disposal

2. Executive Summary

- 2.1 On 11 October 2022, Cabinet resolved that:

Resolutions: that Cabinet:

- a) Agree to the proposed new capital budget of £2 million to carry out Stage 1 of the Office Optimisation project and recommend to Council that the Capital budget is amended to reflect the proposed change.
- b) Authorise the Assistant Director Assets & Environment to procure and award the contracts to deliver the Stage 1 works.
- c) Authorise the Assistant Director Assets & Environment in consultation with the Executive Director Finance and Cabinet Member for Finance to dispose of the Lodge Road offices, in whole or part, by leasehold or freehold, for the best consideration reasonably obtainable.
- d) Agree that the Lodge Road offices be vacated by 31st March 2023 in order that the revenue savings and/or capital gains be achieved as quickly as practicable thereafter.

Reasons:

To provide an effective accommodation solution, and best value for the residents of West Northamptonshire in consideration of service operating models and Council objectives.

To provide a fit for purpose facility to replace the Lodge Road offices for Council services which enables the wider objective to provide cost effective accommodation.

To reduce the Council's energy use and carbon emissions.

To ensure timely delivery of financial improvements

- 2.2 A request for call-in was made to the Monitoring Officer on 18 October 2022 by Councillors Wendy Randall (the Call-In Originator), Janice Duffy, Jamal Alwahabi, Keith Holland-Delamere, Cathrine Russell, Danielle Stone, Kyriakoulla Jolley and Muna Cali. The call-in was deemed valid and was referred to Corporate Overview and Scrutiny Committee for consideration.
- 2.3 Corporate Overview and Scrutiny Committee met on 7 November 2022 to consider the call-in. In doing so, the Committee heard from the call in originator to the call-in. The Committee received a comprehensive presentation from the Cabinet Member with responsibility for finance, together with the Director for Place and Economy. The Assistant Director for Assets and Environment was also present at the meeting.

2.4 After all the evidence had been heard, Corporate Overview and Scrutiny Committee resolved that the call-in be accepted and that recommendations should be made to Cabinet.

2 Recommendations

2.3 It is recommended that Cabinet be formally notified of Corporate Overview and Scrutiny Committee's findings following the call-in hearing of 7 November 2022 and reconsider its decision.

2.4 Reason for Recommendations

2.4.1 In accordance with the Overview and Scrutiny procedure rules (11.7), if a decision is referred to the original decision maker (in this case Cabinet), Cabinet shall then reconsider the matter, taking into account any concerns and recommendations of Corporate Overview and Scrutiny Committee and make a final decision, amending the decision or not and give reasons for the decision.

2.4.2 As this is a decision relating to an Executive function only, Cabinet can ultimately decide the matter, provided that it is in accordance with the Council's budget and Policy Framework.

3 Report Background

Call-in originator

3.3 At the meeting on 7 November 2022, the call-in originator expanded upon their reasons for the call-in, and listed a number of matters which in their opinion were flaws with the decision of Cabinet, as set out below:

- a) Councillors, Officers and the press had been informed at the same time of the proposal to close Lodge Road Council offices
- b) A business plan for the planned closed had not been distributed to Councillors
- c) Concerns were raised regarding the savings of £343,000 per year and the amount that would also be spent
- d) Staff currently located at Lodge Road will be required to work from home more with increased fuel costs and travel costs to offices in Northampton and Towcester. Concerns were raised about the health and wellbeing of staff
- e) There is a need for consideration of the impact of the town's CCTV linked to Lodge Road and adopted by Daventry Town Council

3.4 The alternative course of action/recommendations that were proposed by the call-in originator were highlighted:

keeping the Lodge Road offices open for staff that require desks and renting out any vacant space

Response from the Cabinet Member for Finance and the Executive Director for Place and Economy

3.5 The Cabinet Member with responsibility for Finance, together with the Executive Director for Place and Economy provided their response to the call-in notice, as follows:

- a) The approach taken is to ensure that the Council's core buildings are used in the most efficient and effective way. The first stage of work is the relocation from Daventry Lodge Road. The wider proposals look at all buildings and will involve moves for many teams from their existing locations. The roadmap for the office moves is currently being devised and the intention is to have all new arrangements in place by the end of 2023. Before any changes to base locations are agreed, there will be consultation with affected staff
- b) The current position: Buildings have been reviewed for best use and space. Occupancy levels of all of the Council's core buildings have been monitored. Officers have gained an understanding of current costs, age, flexibility usage and context within location. Meetings have taken place with all services to understand future space and storage requirements. Work has begun assessing the new IT requirements to support a new way of working and worker types across the organisation have been introduced: Flexible, Part flexible, Field/operational and Fixed.
- c) The Council's main office locations will be The Guildhall and One Angel Square in Northampton. There will also be locality hubs at The Forum, Towcester, The Abbey Centre, Daventry and The Guildhall.
- d) West Northamptonshire Council's locality hubs will include a one-stop shop for customers to engage with these services. They will be based at the Abbey Centre, Daventry, The Forum, Towcester and at the Guildhall, alongside the main office base. The Abbey will become our Daventry locality hub. It is expected that the three voluntary and community sector groups which have space in the Abbey will continue to do so, working alongside WNC staff, many of whom have allied roles.
- e) Context to the Cabinet report of 11 October 2022: Given the timescales to move forward, it had not possible to share wider strategy and operating model as it had not shared with staff and or unions at that time. There was a need to move forward with first stage to realise savings as soon as possible. This fits in with Hub and spoke model, retaining customer services, voluntary sector organisations and library functions within the building, creates children services hub and provides the essential community services within Daventry and adds drop in space and meeting rooms for other services such as planning.
- f) Office accommodation background: WNC inherited the following buildings and desks: The Forum (freehold) – 183, The Guildhall (freehold) – 474, Lodge Road (freehold) – 226
- g) One Angel Square (leasehold) – 1,438, Total – 2,321 desks. Since October 2021 when the database was started: Maximum level of desks occupied – 933 (40%) – thus 1,387 desks free. Therefore, the average (mean) – 662 (29%); median – 665 (29%) – thus 1,655 desks free.
- h) A survey with staff has been undertaken regarding worker type and most staff indicated that they like and want to keep hybrid working which creates more options for staff, less need for (expensive) office space.
- i) Lodge Road disposal: The building could be leasehold or freehold: Freehold: capital receipt, Leasehold: revenue income (and/or capital receipt if long lease). The marketing approach being prepared. Job Centre Plus lease runs to November 2023 and it is being aimed to have the disposal agreed by then
- j) The retention of part of Lodge Road had been explored in early work but had been found not to be necessary, splitting the building is possible but complex and expensive and the most reliable means of delivering savings at scale is complete exit

- k) The expected results from office optimisation are retained buildings largely full (WNC and others), reduced net costs, teams supported in collaborative working, delivering better results and better public access to services within our enhanced neighbourhood offer

Deliberation

- 3.6 During the deliberation, Members of Corporate Overview and Scrutiny Committee raised a number of questions and made a number of points, as set out in summary below:
- a) Concerns were raised regarding the proposal for a Children’s Group and an Adult Learning Group to occupy the Abbey at the same time. Clarification was requested regarding the proposed desk space for the Abbey
 - b) Travel from Daventry to Towcester, using public transport, is not easy and could take staff up to two hours
 - c) Daventry is a growing town and Lodge Road offices would be an asset lost.
 - d) There is a need for a roadmap for all of the Council’s accommodation and for it to be communicated to all Councillors, along with the plan for the Abbey.
 - e) Clarification is needed regarding the impact of the town’s CCTV system linked to Lodge Road and adopted by Daventry Town Council.

Findings and Conclusions

- 4.5 During the deliberation session, Corporate Overview and Scrutiny Committee concluded there is a need for the decision to be referred back to Cabinet as there had been a lack of consultation and communication regarding the closure of the offices at Lodge Road, lack of consideration of the impact of the town’s CCTV system linked to Lodge Road and adopted by Daventry Town Council, lack of consideration of service provision and concerns with the layout of desk space at the Abbey. The Committee further concluded that there is a need for Councillors to have sight and review of the desk plan for Abbey Centre.
- 4.6 Therefore, following the submission of the all the evidence, it was proposed and seconded that Corporate Overview and Scrutiny Committee upheld the call-in. Upon a majority vote, it was:

RESOLVED that:

- (1) That after all the evidence had been heard, the call-in be accepted on the grounds that:
 - (i) There is a need for wider consultation and communication regarding the closure of the offices at Lodge Road to ensure the people of Daventry do not lose out democratically or in service provision
 - (ii) There is a need for consideration of the impact of the town’s CCTV linked to Lodge Road and adopted by Daventry Town Council.
- (2) Corporate Overview and Scrutiny Committee requests that all Councillors are provided with the desk plans for the Abbey.

4 Issues and Choices

4.1 Cabinet is asked to reconsider the decision taking into account any concerns and recommendations of Corporate Overview and Scrutiny Committee and make a final decision amending the decision or not and give reason for the decision.

4.2 The options available to Cabinet are to:

- a) Accept one or more recommendations from the Scrutiny Committee and delay the decision in order to consider additional information.
- b) Decide to proceed with the decision on the basis that the matters highlighted by Scrutiny do not require further consideration and to proceed on the basis of the original decision.
- c) Accept or reject the recommendation requiring specific action eg provide councillors with copies of desk plans.

5 Implications (including financial implications)

Resources and Financial

5.1 The decision cannot be implemented until Cabinet has resolved and made a decision upon the report of Corporate Overview and Scrutiny Committee on the results of the call-in.

5.2 The decision will have implications for the draft budget, which currently includes the proposal to close Lodge Road Council offices.

Legal

5.3 Overview and Scrutiny operates within the provisions as set out in:

- the Local Government Act 2000
- the Health and Social Care Act 2001
- the Local Government Act 2003, the Police and Justice Act 2006
- the Local Government and Public Involvement in Health Act 2007
- the Local Democracy, Economic Development and Construction Act 2009
- the Localism Act 2011
- the Police Reform and Social Responsibility Act 2011
- the Overview and Scrutiny (Reference by Councillors) (Excluded Matters) (England) Order 2012
- the Health and Social Care Act 2012
- the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013

5.4 As set out in section 7, paragraph 11.7 of the Constitution (December 2021):

11.7.1 If a decision is referred back to Cabinet, it shall reconsider the matter taking into account any concerns and recommendations of the Committee and make a final decision amending the decision or not and give reason for the decision.

11.7.2 If a decision relates to an Executive function only, Cabinet can ultimately decide the matter provided that it is in accordance with the Council's budget and framework policy.

Risk

5.5 The decision cannot be implemented until Cabinet has resolved and made a decision upon the report of Corporate Overview and Scrutiny Committee on the results of the call-in.

Consultation

5.6 Corporate Overview and Scrutiny Committee held the Call-In Hearing.

5.7 The call-in originator addressed the meeting of Corporate Overview and Scrutiny Committee and answered any questions that the Committee posed.

5.8 The Cabinet Member with responsibility for Finance, together with the Executive Director for Place and Economy and the Assistant Director for Assets and Environment, addressed the meeting of Corporate Overview and Scrutiny Committee and answered questions asked by the Committee.

5.9 The Call-In Hearing was published through the Council's usual channels.

Consideration by Overview and Scrutiny

5.10 Corporate Overview and Scrutiny Committee considered the Call-In Notice at its meeting on 7 November 2022.

Climate Impact

5.11 As set out in the Cabinet report of 11 October 2022 (Item 13).

Community Impact

5.12 As set out in the Cabinet report of 11 October 2022 (Item 13).

5 Background Papers

Cabinet Report of 11 October 2022 – Item 13 Office Optimisation Stage 1 building adaptations budget and disposal

Decision Notice – Cabinet of 11 October 2022 – Item 13 Office Optimisation Stage 1 building adaptations budget and disposal