

REPORT TO: CITY DEVELOPMENT COMMITTEE - 7 DECEMBER 2009

REPORT ON: ALLOCATION OF SCOTTISH CIVIL SERVICE JOBS TO DUNDEE

REPORT BY: DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 494-2009

1 PURPOSE OF REPORT

- 1.1 To report back to Committee following a decision on 24 August to call for a report on Scottish Civil Service relocation and allocation of posts to Dundee.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee note the content of the report.

3 FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications.

4 BACKGROUND

- 4.1 From 1999 to 2006 there was an active policy to disperse Scottish Civil Service jobs away from Edinburgh.

1999/2004

- 4.2 During the period 1999 to 2004 bids or detailed information were submitted for twenty one separate projects for the relocation of Scottish Civil Service jobs. Within that period Dundee was successful in attracting the HQ of the newly formed Commission for the Regulation of Care, the Scottish Social Services Council and the Office of the Charities regulator. Dundee successfully retained the office of Learning and Teaching Scotland that had been subject to review.
- 4.3 The number of jobs for those projects was 243. During that period a total of 2405 posts were reviewed meaning that Dundee attracted around 10% of the jobs considered for relocation. On a strict population basis Dundee might have expected around 3%.

2005/2006

- 4.4 Within the period 2005/2006 two new agencies were added to the review process and ten decisions were made on relocations announced previously. Within those ten agencies for which location decisions were made over 950 jobs were involved. Dundee submitted bids for projects totalling over 800 jobs. Dundee was not successful in any of those decisions with the exception of around 12 posts in NHS Education Scotland that stayed in the City.

2006/09

- 4.5 The period from 2006/09 is reviewed below however during that period the city has been successful in attracting a new forensic lab with 90 posts for the Scottish Police Services Authority. This is a new lab that will provide services for Scotland and

incorporates elements of existing labs in both Dundee and Aberdeen. This development will complete in 2010.

The Review of Policy 2006/09

- 4.6 A review of the policy was undertaken by Audit Scotland during 2006. The Auditor Generals' report was considered by the Scottish Parliament Audit Committee who then undertook a review of their own. During those reviews which lasted from late 2005 to March 2007 a moratorium was announced on any additional bodies being considered for relocation. Indeed within that period just one relocation was announced with Sport Scotland relocating to Glasgow. Following the reviews the dedicated relocation unit within the Executive was disbanded. Following the elections in 2007 it was announced that no new decisions would be made on relocations and that an announcement would be made in due course about the location of public agencies. That announcement was made on the 28th January 2008. That statement said that

"Public bodies will only be relocated in future where there are wider benefits for the taxpayer and no compulsory redundancies required."

- 4.7 At the same time a review of asset management within government was announced and that review resulted in a further statement on the 2nd March 2009 and the release of a process chart for the consideration of options for amongst other things, the appropriate location for public bodies. What that means is that the process will be used to arrive at the recommendation to Ministers about the appropriate location of civil service jobs. That will include an option appraisal within which the priority will be given to minimising the disruption to the service provided and the best use of existing government property. In practise what this means is that any opportunity that might involve compulsory redundancies is unlikely to move very far from its current location or locations.
- 4.8 There are therefore no public sector organisations currently being considered for relocation. The recent emphasis has been rationalising the number of public sector bodies, through abolition or amalgamation. The Scottish Parliament is in the process of considering a Public Services Reform (Scotland) Bill. That Bill seeks to further rationalise the public sector landscape and reduce the number of organisations by around 25%. This overall reduction in the number of public sector bodies is also having the effect of releasing buildings either owned or leased by the Scottish Government that will be the first to be considered if any relocation is agreed.
- 4.9 The relocation of major agencies since 1999 has highlighted some key issues. In the cases of the Scottish Natural Heritage move to Inverness and the Accountant in Bankruptcy move to Kilwinning only around 15% of the posts actually transferred. Whilst that gave a welcome jobs boost to those locations the resulting requirement to redeploy the non transferring staff within the Civil Service in Edinburgh and the consequential disruption of the services provided has made such wholesale relocations very unlikely in the future outwith commuting distance of their current locations.
- 4.10 The changes being set out in the Public Services Reform (Scotland) Bill concern the functions of the Commission for the Regulation of Care. One of the proposals is to create New Health Care Scrutiny and Improvement Bodies to incorporate the

Commission. These new bodies are not expected to be established until 2011 at the earliest and this will be kept under review as the Bill proceeds.

Actions Undertaken 2005/09

- 4.11 During the period of active relocations a three monthly update report on progress was produced and circulated to the Chief Executive and the Convenor of Economic Development. To complete this detailed conversations were had periodically with Scottish Government Officials. In addition during the period bids or further information were submitted for ten projects under active consideration by the Government.
- 4.12 The head of Economic Development was appointed to the steering group for the Audit Scotland review of relocation policy and attended meetings of that group during 2006.
- 4.13 Officers of the Council took part in visits by assessment staff looking at possible locations and worked very closely with officers of organisations involved with relocation projects such as NHS Tayside and Tayside Police.
- 4.14 Following the initial review period and the 2007 elections it was clear that no early decisions would be made on relocations and that a policy review was underway. Officers did however continue to work intensively with the Police Services Authority during the period to develop proposals for the Police Forensic Lab that have now come to fruition.
- 4.15 Officers remain in regular contact with the relevant staff in the Scottish Government on matters relating to the location of government jobs or agencies.

5 CONCLUSION

- 5.1 Within the last five years Dundee has had some success in attracting Scottish Civil Service jobs. This has to be measured against a prolonged period of review within which no decisions were made. The methodology recently announced for the use of government assets coupled with the drive to reduce public bodies and the subsequent release of properties makes it less likely that any significant relocation to Dundee or anywhere else will be announced. Dundee will however be able to press for the location of new facilities or agencies.. The Police Forensic Lab is a good example of the type of success that is more likely in the future.

6 POLICY IMPLICATIONS

This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

7 CONSULTATIONS

- 7.1 The Chief Executive, Depute Chief Executive (Support Services), Director of Finance and Assistant Chief Executive have been consulted and are in agreement with the contents of this report.

8 BACKGROUND PAPERS

8.1 There are no background papers.

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SNU/MS

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