

DRAFT

REPORT TO: POLICY & RESOURCES COMMITTEE – 25 FEBRUARY 2016

REPORT ON: COUNCIL PROPERTY RATIONALISATION

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 50-2016

1 PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek approval for proposals for the rationalisation of Council premises as part of a corporate review of operational property

2 RECOMMENDATION

- 2.1 It is recommended that
- a the Council vacate three office buildings at Claverhouse Social Work Office, Dudhope Castle and Downfield House and relocate the relevant staff to Dundee House, City Square and other existing and proposed Community Hubs across the city;
 - b the Council retain the former Rockwell School premises, following the decant of Harris Academy to their new building, and relocate a range of Children & Family Services to Rockwell from Lochee Child & Family Centre, Bell Street Music Centre, Linlathen Resource Centre, St Ninian's Primary School, Eastern Primary School and Castle Street.

3 FINANCIAL IMPLICATIONS

- 3.1 The revenue savings associated with the proposed closure of buildings in this report are estimated as follows

| | |
|----------------------------|--------------|
| Claverhouse | £280k |
| Dudhope Castle | £150k |
| Downfield House | £100k |
| Linlathen RC | £ 32k |
| Bell St Music Centre | £ 68k |
| Lochee C&FC | £ 42k |
| Educational Choice Project | £ 6k |
| TOTAL | £678k |

It is anticipated that a saving of £200k will be achieved in 2016/17. In addition, it is estimated that significant capital and/or revenue receipts could be achieved if the vacated properties were sold or leased. Details of any such sales or leases will be reported to Committee in due course.

- 3.2 The capital costs of the necessary staff moves are currently being assessed and will be reported to Committee in due course, although it should be noted that the proposed building closures will remove the need for future capital expenditure to the fabric of these premises. Any revenue costs associated with the moves will be contained within existing budgets

4 BACKGROUND

- 4.1 The Council is committed to protecting services by reducing costs through a series of corporate reviews within its 'Changing for the Future' programme. One of these reviews relates to its property portfolio; these assets are made up of five main categories: education estate, depots, office premises, community premises and commercial estate (e.g. investment

property, shops, etc). This report focusses on the Council's office premises and the education estate as part of the new Child & Family Service.

Office Premises

- 4.2 In terms of our office premises, the Council has been investigating how we could move beyond our current 8:10 desk to staff ratio and the potential savings opportunities coming from this. A corporate working group was established and has identified that a ratio of 7 desks to 10 FTE posts is being achieved in many other Councils and should be possible in Dundee; it is therefore recommended that this become the new minimum target for all of our office premises.
- 4.3 On the basis of this new target ratio, the Working Group identified that spare capacity existed across the Council's current office estate, of particular note were City Square and Dundee House where almost 500 additional staff could be accommodated if 7:10 working was implemented.
- 4.4 The Working Group therefore concluded that there was considerable scope to vacate and close some of our office buildings and relocate staff into the spare capacity available in City Square and Dundee House, and to group staff together in ways which better reflected the Council's new Departmental structures.
- 4.5 In order to help identify which office buildings should be retained and used more intensively and which should be vacated and removed from the Council estate, three key determining criteria were identified;
- a Age and suitability
 - b Running costs and building condition
 - c Ability to sell or rent commercially

The application of these criteria resulted in three existing premises being identified for removal from the Council estate; these being Claverhouse, Dudhope Castle and Downfield House.

- 4.6 It is therefore proposed that the majority of the Integrated Health & Social Care staff at Claverhouse would relocate to Dundee House with the remainder being more mobile staff who would base themselves when necessary at various Community Hub buildings across the city in Menzieshill, Lochee, Hilltown, Douglas and Whitfield. It is also proposed that Children and Families Service staff currently based at Dudhope Castle would relocate to the former Rockwell School and ICT staff at Downfield House would relocate to Dundee House. In order to provide sufficient space in Dundee House for these moves, it is proposed that Neighbourhood Services staff currently based in Dundee House would relocate to City Square (East) to join their new colleagues from the former Environment Department.

Education Estate

- 4.8 The retention of the former Rockwell Buildings, after the decant of Harris Academy to its new premises, would offer an opportunity to relocate various Children and Families Service from across the city to take up the extensive underused space at Rockwell and ensure it is used to its optimum capacity. It is therefore proposed to relocate the following services to Rockwell;
- a Children and Families Service staff currently located in Dundee House as this would improve service integration at Rockwell and enable further space to be available in Dundee House for the proposed inward moves.

- b Children and Families Service currently located at Linlathen Resource Centre as this would improve service integration at Rockwell and enable the Council to close a substantial property and achieve significant savings.
- c The Lochee Child & Family Centre as these premises are presently underused and would bring together all similar services in one location.
- d The Educational Support staff from Eastern Primary School as this would release more teaching space and allow flexibility of the capacity of Eastern Primary.
- e The Bell Street Music Centre as this would enable the Council to close a substantial property and achieve significant savings.
- f The Educational Psychology Team at St Ninians Primary School as this would release more teaching space and allow flexibility of the capacity of the school.
- g Children and Families Service currently located at Dudhope Castle as this would enable the Council to close a substantial property and achieve significant savings.
- h The Educational Choice Project located at Castle Street as this would improve service integration at Rockwell.

Conclusion

- 4.9 At the conclusion of the proposed series of moves, the Council would have a much more compact, efficient and sustainable office estate comprising three main flexible office bases at City Square, Dundee House and Rockwell with a series of Community Hubs across the city in Menzieshill, Lochee, Hilltown, Douglas and Whitfield to provide flexible office bases for joint service provision in communities.

5 POLICY IMPLICATIONS

- 5.1 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.

6 CONSULTATIONS

- 6.1 The Chief Executive, the Executive Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

7 BACKGROUND PAPERS

- 7.1 None

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MPG/MS

9 February 2016

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