



Notice of Key Executive Decision

Subject Heading:	Approval of virement to support ancillary works to Town Hall
Cabinet Member:	Councillor Roger Ramsey
SLT Lead:	Jane West – Chief Operating Officer
Report Author and contact details:	Mark Butler- Director of Asset Management Telephone: 01708 432947 Email: mark.butler@onesource.co.uk
Policy context:	The proposals within this paper support the Corporate Plan objectives to optimise the use of Council assets to improve the customer experience, reduce cost, make better use of technology to make life easier for residents and reduce the cost of public services.
Financial summary:	This decision proposes a virement in the sum of £828,000 virement from Havering Pupil Referral Services Allocation as detailed within the body of this report.
Reason decision is Key	Expenditure or saving (including anticipated income) of £500,000 or more.
Date notice given of intended decision:	May 2021
Relevant OSC:	Overview and Scrutiny Board
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Key Executive Decision

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Approval of a virement in the sum of £828k to upgrade service infrastructure upon the Town Hall campus

AUTHORITY UNDER WHICH DECISION IS MADE

Constitution. 2.5(u) Powers of Cabinet Members and the Leader.
To approve individual virements within a service above £250,000 up to and including £999,999.

STATEMENT OF THE REASONS FOR THE DECISION

On the 27th January 2021, Cabinet recommended and Council approved a report detailing the rationalising of the Council's administrative accommodation, generating revenue savings to support the Council's Medium Term Financial Strategy, delegating authority to the Director of Asset Management to take such actions necessary to negotiate the re-use of surplus assets.

Capital funding of £1.5m has been allocated within the 2021/22 capital programme for the purpose of reconfiguring areas of the Town Hall, to include the re-provision of specific facilities from other premises, enabling the release of other office buildings and a reduction in the Council's accommodation footprint, with consequent revenue savings. This includes in particular the establishment of a new Appointment Centre in the Town Hall West Wing and relocation of the Multi Agency Safeguarding Hub (MASH). A £633k p.a. saving is included within the Council's Medium Term Financial Strategy as a direct consequence of these proposals.

The service infrastructure of the Town Hall has lacked investment in recent years and requires upgrading to maintain the functionality of the building. Services have also been underused over the last year, with the building being virtually empty for over a year, and would benefit significantly from being refreshed. The opportunity arises to undertake these building infrastructure/service upgrades as part of the broader reconfiguration proposals so as to reduce the cost of contractor's preliminaries etc. and to minimise disruption whilst occupancy levels remain low.

A cost estimate indicates an investment requirement of £828k in complete the necessary service infrastructure upgrades – these costs will be subject to competitive tender.

The Asset Management service holds capital funding previously set aside from capital contingency that was originally intended to support the Havering PRS initiative, but is no longer required as demands have changed since the original allocation.

It is accordingly proposed to vire funding in the sum of £828k from this allocation to enable the service infrastructure improvements to the Town Hall to be undertaken, without any net increase in the Council's 21/22 capital programme.

Key Executive Decision

OTHER OPTIONS CONSIDERED AND REJECTED

Do nothing

This is not considered to be an option as the capacity and functionality of the Town Hall will be impaired over time if suitable investment is not made into service infrastructure

Defer improvements to the service infrastructure of the Town Hall

Carrying out the proposed upgrades under a separate package of works will extend the period of disruption within the building and preclude the opportunity to achieve savings in contractor's preliminaries.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Mark Butler

Designation: Director of Asset Management

Signature:

Date: June 2021

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Lead Member for Finance and Property is authorised within the Council's Constitution (2.5(u) Powers of Cabinet Members and the Leader) to approve individual virements within a service above £250,000 up to and including £999,999

FINANCIAL IMPLICATIONS AND RISKS

The capital programme contains a carried forward underspend of £828k against the capital scheme for the Pupil Referral School. This is no longer required and therefore it is recommended that the full £828k is vired to support service infrastructure works on the Town Hall campus.

It has been identified that there are a number of longstanding issues associated with the services within the main Town Hall building. These have not had significant investment for a number of years. As a result of the current COVID restrictions, as with many office spaces, the Town Hall is currently not being used to anywhere near its PRE-COVID capacity and therefore, now is an ideal time to address these issues, prior to the building being more fully utilised once some of the current restrictions are eased.

The delivery of this project assists in facilitating the achievement of the savings included within the approved MTFS associated with the rationalisation of assets.

Key Executive Decision

**HUMAN RESOURCES IMPLICATIONS AND RISKS
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no human resources implications associated with this decision.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

There are no equalities issues arising from the virement request.

BACKGROUND PAPERS

None

Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed

Name: Councillor Roger Ramsey
Lead Member for Finance and Property

Date:

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____