

## Estates Strategy programme closure

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<b>Type of business</b>	To note
<b>For Council only:</b>	Public session.
<b>Issue</b>	To provide the Council with a summary overview of the achievements from the Estates strategy programme, including benefits realisation, following the formal closure of the programme at end of January 2020.
<b>Recommendation</b>	The Council is asked to note the contents of this paper.

1.1 This paper presents the Council with a summary overview of the achievements from the Estates strategy programme, including benefits realisation, following the formal closure of the programme at the end of January 2020.

1.2 This paper, along with the detailed programme closure report and programme financial benefits paper, were presented to the Finance and Performance Committee (FPC) for noting on 26 February 2020 and was endorsed by the committee.

### Programme performance summary

1.3 The Estates strategy programme started in late 2017, with the principal aim of providing a long-term cost-effective solution to delivering the GDC strategic aims, by minimising the cost of our estate and our workforce.

1.4 As part of the Estates strategy, the GDC sourced and secured a 15-year lease for office space in Birmingham to house the posts and teams that would be relocated in both strands of the Estates programme along with providing space for possible future expansion. The programme initially planned to move circa 230 posts from London to Birmingham in two strands, with circa 90 posts in Strand 1 and 140 posts in Strand 2 (this was later reviewed and revised by EMT to 103 posts on 4 June 2019).

1.5 Strand 1 reduced the number of London based offices from three to one by relocating the Dental Complaints Service (DCS) staff from the Croydon office and the staff from Baker Street to Wimpole Street. This coincided with our lease expiry at Croydon in June 2018 and Baker Street in January 2019.

1.6 Our new operational hub in Birmingham opened as planned on 1 October 2018, ready to welcome the 90 posts from Strand 1 with an open plan office space providing flexible and collaborative ways of working. Skype for Business was also piloted and later introduced to enable remote working across Birmingham and London sites.

- 1.7 Strand 2 moved a further 103 posts to Birmingham in 2019 to facilitate the increase in hearings capacity from one suite to five suites, through the refit of Wimpole Street and to eradicate the need for the GDC's external hearings venue at Smithfield. This coincided with the end of the Smithfield's lease on 21 December 2019.
- 1.8 The refit at Wimpole Street was completed in December 2019 with a significant emphasis on ensuring value for money and thinking environmentally, avoiding waste wherever possible. We recycled and reused existing assets where feasible, this included:
  - a. re-using surplus furniture from a fellow regulator to furnish all five of our hearing suites, which we obtained free of charge apart from costs for storage and delivery.
  - b. re-use of the doors, glazed partition screens, staff room furniture and meeting room furniture within Wimpole Street.
  - c. re-use of IT equipment and TV screens including the IT fit-out of the new boardroom
  - d. re-using some of the surplus furniture and IT equipment to support the fit-out of 32 extra desks in our Birmingham office expansion space.
- 1.9 To ensure we were delivering value for money following the previous refit of Wimpole Street in 2014-15, we also conducted an asset impairment exercise which identified that less than 0.5% of the original cost of the previous refit was being disposed of.
- 1.10 Following the refit of Wimpole Street this enabled the successful launch of the GDC's new hearings venue in Wimpole Street as from 7 January 2020 as planned.
- 1.11 Both Strand 1 and Strand 2 involved collective and individual consultation with those colleagues directly affected and whose roles were deemed at risk, with the staff forum playing an important role in the consultation process.
- 1.12 Business disruption was kept to a minimum throughout the programme due to the constant focus on business readiness and business continuity. Operational leads were identified for teams impacted by the changes, with responsibility for assessing these impacts and developing operational plans to mitigate risks and maximise on opportunities.
- 1.13 The Estates strategy programme has now formally closed at the end of January 2020 following the successful delivery of its key objectives, scope and deliverables. These were reviewed and signed off as part of the programme closure report by the programme board.
- 1.14 There are a small number of tasks that require completion post programme closure of which these have been formally handed over to the respective business owners for completion.

#### **Benefits - achieved and forecasted**

- 1.15 The programme is forecast to deliver in excess of £50m incl. VAT net savings across the 15 years period from 2018 to 2033, which is an 8% improvement on the figure originally forecast and shared with Council on 17 May 2018.
- 1.16 In accounting terms, the breakeven point beyond which the GDC begins to make a return on investment (R.O.I.) has also improved from 2021 to December 2020, due in part to the rigorous financial controls and value engineering applied to the programme.
- 1.17 A full benefits realisation review and paper was completed by the GDC Senior Financial Planning and Analysis Manager and formed part of the formal programme closure report.
- 1.18 For the programme to realise fully the outstanding financial benefits, it will be necessary to be mindful of the benefits forecasted when considering future programmes and projects. This has been addressed within Section 6 - Monitoring and review.

**Lessons learned**

- 1.19 A large proportion of the key lessons learned from Strand 1 were successfully applied to Strand 2 resulting in many cases turning a negative lesson in Strand 1 into a positive one in Strand 2.

**2. Legal, policy and national considerations**

- 2.1 There are no legal implications from the closure of the Estates strategy programme.

**3. Equality, diversity and privacy considerations**

- 3.1 Equality, diversity and privacy impact assessments were conducted at the start of the programme with an accessibility platform lift installed in the basement of Wimpole Street.

**4. Risk considerations**

- 4.1 All of the programme level risks and issues were closed by the end of January 2020 as part of the formal programme closure.
- 4.2 There are however two strategic and four operational risks that are outstanding in relation to the Estates Strategy Programme.
- 4.3 The strategic risks are in relation to the achievement of the long-term financial projections of the Estates Strategy and ensuring compliance with GDPR following a significant turnover in staff. Both of these risks are within Council's risk appetite.
- 4.4 The operational risks are not specific to the programme but have been identified as a result of the programme potentially impacting on the design of, or the compliance with, parts of the operational control framework and complications with recruitment on such a large scale in a short space of time. These risks are also within Council's risk appetite.

**5. Resource considerations and CCP**

- 5.1 As the Estates strategy programme has now formally closed at the end of January 2020, all of the resources previously allocated/aligned to the programme have been stood down from the programme including the programme manager.

**6. Monitoring and review**

- 6.1 Given that the majority of the £50m+ of financial benefits from the Estates programme are due to be realised over the 15-year period from 2018 to 2033 the following formal reviews and controls will be undertaken post programme closure:
- a. End of year review (January 2021 tbc) of financial benefits realised and forecasted for 2033 including assessment of the forecasted ROI at the end of 2020.
  - b. As part of the formal process for Costed Corporate Plan (CCP) changes, an impact assessment will be conducted on what impact the proposed change will have on forecasted benefits across the GDC portfolio (with particular emphasis on the Estates programme benefits).

**7. Development, consultation and decision trail**

- 7.1 The draft Estates Strategy programme closure report was developed with input from and reviewed by the Estates programme team in December 2019 and January 2020.
- 7.2 The draft closure report was then reviewed by the Estates programme board on 21 January, further revisions made with the final draft closure report signed off on 28 January 2020.

7.3 This paper along with the detailed programme closure report and programme financial benefits paper were presented to SLT on 4 February and FPC on 26 February 2020 for noting and was endorsed by FPC.

## **8. Next steps and communications**

8.1 This paper is presented to Council for noting on 19 March 2020.

### **Appendices**

a. No appendices.

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05 March 2020