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**REPORT TO: Grampian Valuation Joint Board on 5 November 2021**

**SUBJECT: Flexible Working and Property Review**

**BY: The Assessor & ERO**

**1. Reason for Report**

1.1 At the last meeting of the Board the Assessor was asked to report on accommodation needs of the service and staff working from home.

**2. Recommendation**

**2.1 It is recommended that the Board consider and note the content of this report.**

**3. Background**

3.1 At its meeting on 18 June 2021 the Board requested a report be prepared on accommodation needs and working from home, to be presented to the Board at this meeting.

3.2 Following the reactive measures that required to be implemented at very short notice at the start of the Covid crisis in March 2020, it is important to now review and be pro-active regarding how and where staff work going forward.

3.3 It is prudent in any organisation to periodically review property accommodation needs and the suitability of existing property for optimal service delivery.

**4. Working from Home – Flexible Working**

4.1 In late March 2020 all Grampian Assessor & ERO staff were sent home in line with guidance from the Government. Up until this point the organisation had not employed a model where staff worked remotely. As a result, suitable equipment and systems had to be obtained, all during a period where many businesses and organisations were also having to take similar steps.

4.2 Due to the requirements of mail handling and certain key electoral events and duties, there have been small cohorts of staff working from each of the organisation's offices, from time to time, since summer 2020.

- 4.3 In July 2021 a staff survey was undertaken to gauge the views and concerns of our staff about returning to offices and on flexible working options. The result of this survey was that, of the staff that responded, around 7% want to work exclusively in an office. Around 19% want to work exclusively from home and the remainder (74%) would like to adopt some form of hybrid working, where they partly work from an office and partly from home.
- 4.4 We are currently engaging with Health and Safety, Human Resources (HR) and Facilities Management colleagues to ensure a safe return to the workplace for our staff. We envisage this to be a gradual process, informed by government advice and in line with the constituent councils. The initial stage will involve a voluntary return for staff wishing to work from the office for all, or part, of the week, but with no more than 50% of the staff based in any of the offices being in the office on any particular day. 2m social distancing will be in place and the situation will be monitored over a period of weeks to inform development of a flexible working policy, in conjunction with Moray HR.

## **5. Accommodation Needs & Property**

- 5.1 The Grampian Assessor & ERO currently occupies accommodation in each of the constituent council areas, with offices in Woodhill House, Aberdeen; Mitchell Burnett House, Banff & 234 High Street, Elgin.
- 5.2 The accommodation in Woodhill House currently comprises of around 50% of the ground floor of the north wing of the main building. This is held by way of a lease between GVJB and Aberdeenshire Council. Aberdeenshire Council intend to create a “public sector hub” at Woodhill House. At present, discussions are ongoing with Aberdeenshire Council for the relocation of the Grampian Assessor’s accommodation from its current location to the former Computer Suite, with draft heads of terms being agreed. Aberdeenshire Council have advised that all they need to progress matters is a commitment from the Board to take the space. It is understood that the Board granted permission for this proposal to proceed at the February meeting, based on the costs presented at that time. Updated costs have just been received which have not significantly altered. The amount payable annually to Aberdeenshire has dropped slightly from the previously report figure of £134,757 to £130,412, due to changes in interest rates. The figure of £130,412 is made up of £22,489 for rent, £90,139 for service charge and a provisional figure of £17,784 for refurbishment costs. Current annual payments for the existing office space in Woodhill House amounts to £195,000 per annum, made up of £125,000 for rent and a service charge of £70,000. The relocation project will therefore realise substantial annual savings to the Board. It should be noted that Aberdeenshire Council have advised that the refurbishment costs would be significantly higher if re-costed now and that they do not have an indication of the increase in costs at this point. However, they have also advised that any revised estimate of costing for the refurbishment is likely to be volatile and will be of limited relevance until the go ahead has been given for the project, but have agreed to provide an updated cost as soon as it is available. Despite the uncertainty of the revised costs, they advised that “a 10% increase in the cost will be about a 1% increase in your total annual cost for your occupation, so not overly critical.”. It is therefore proposed to give Aberdeenshire Council the commitment that they seek and proceed with the relocation, subject to further discussion with the Treasurer and Clerk regarding the timing of the move and confirmation of the costs.

- 5.3 The accommodation at Mitchell Burnett House in Banff is owned by GVJB and is the organisation's disaster recovery site. Being a relatively new building and with no rent to pay, running costs are minimal. With our ongoing partnership working arrangement with Aberdeenshire Council IT section, there is a possibility of Aberdeenshire Council staff being able to work from Mitchell Burnett House and GVJB staff being able to work from any Aberdeenshire Council building (subject to agreement with Aberdeenshire Council). This would add to the resilience and flexibility of both organisations.
- 5.4 The accommodation at 234 High Street, Elgin has been the subject of previous reports to the Board regarding its repair and need for redecoration and recarpeting. The office comprises the upper floor of a building where the lower floor is owned and partially occupied by Moray Council. User/pool rights exist for this property between GVJB and Moray Council dating from the reorganisation of local government in 1996. Attempts have previously been made to find suitable alternative accommodation, but to date nothing has been identified by either Moray Council, or the Grampian Assessor & ERO. We have now fed into a wider Moray Council review of accommodation requirements and we are looking at the feasibility of developing shared services with Moray Council. The outcome of the review and the possibility of developing shared services are unlikely to be fully completed until sometime in 2022/23. Until this time it is recommended that only essential expenditure is incurred with regard to the fabric of this property

## **6. Conclusion**

- 6.1 At present the existing measures implemented at the start of the Covid crisis continue to allow us to deliver our statutory services.**
- 6.2 It is recognised that in a post pandemic environment that a systematic review of how and where our staff work requires to be undertaken with an emphasis on increasing flexible working practices. It is anticipated that this will increase resilience, produce efficiency savings and have benefits for service delivery and staff satisfaction.**
- 6.3 The proposed relocation of office accommodation from the main building at Woodhill House will provide cost efficiencies by way of preferential lease terms and would also allow the new accommodation to be optimised for flexible working.**
- 6.4 Mitchell Burnett House is necessary as a disaster recover site and may provide a platform for further partnership working arrangements with Aberdeenshire Council.**
- 6.5 It is recommended that no decision is made regarding 234 High Street, Elgin until Moray Council's review is complete and a clearer picture is formed of our operational space requirements as we implement more flexible working practices.**

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