

NOTTINGHAM CITY HOMES

REPORT OF DIRECTOR OF HOUSING OPERATIONS

THE BOARD
20 SEPTEMBER 2007

ACCOMMODATION STRATEGY

1 SUMMARY

- 1.1 To inform the Board about emerging accommodation options and key issues.

2 RECOMMENDATIONS

- 2.1 Board authorise the following:
- 2.1.1 Delegate to the Chief Executive, in consultation with the Chair the option to take up additional space at Hounds Gate subject to service savings being identified.
- 2.1.2 Additional works to improve Harvey Road be authorised
- 2.1.3 A review of the Area Housing Offices Services is carried out through a Project Team.

3 ACCOMMODATION STRATEGY

- 3.1 The draft Company Accommodation Strategy produced in mid 2006, outlines a vision of:
- Establishing a central HQ to enhance the separate identity of NCH and facilitate more joined up services
 - Consolidating our Call Centres into one NCH Call Centre
 - Having a reduced and more focused Office network, backed by ICT developments to enable better customer access

3.2 Hounds Gate

At present NCH occupies the ground and first floors at Hounds Gate. These are occupied primarily by the Company's Corporate Services including a Company visitor's reception area and the Board Room.

- 3.2.1 The Company has recently received notification that the top two floors of Hounds Gate, currently occupied by Social Services, will be vacated by March 2008. We have therefore begun to evaluate the benefits of moving staff into Hounds Gate. In particular it would make good business sense to bring the Rents Team into one central location. The additional floor space at Hounds Gate would enable us to develop a

Property Shop, to promote homes available through Homelink, and would provide an opportunity to relocate Homelink into a central location, with easier access to these services for all our customers. A Housing Reception enquiry area could be provided on the ground floor, which would help improve the Company's image to those visiting the Head Office location. A larger Head Office at Hounds Gate would also be an ideal opportunity to improve customer access to our services, providing a central location to promote consultation with tenant representatives and the Tenant and Leaseholder Congress.

3.2.2 Taking on the additional floors at Hounds Gate will mean that the Company needs to bear additional costs in year one of £235K for the cost of the lease. There will also be costs associated with the move and redevelopment of the space within Hounds Gate, which still need to be determined.

3.2.3 Expanding our accommodation requirements at Hounds Gate will require the Company to meet the additional annual costs by making service savings; although the City Council have indicated that they would be prepared to give some financial support to the Company to undertake the necessary refurbishment works to the building.

3.3 **Call Centre based at Harvey Road**

3.3.1 The Company aspires to the provision of a single consolidated Call Centre which will handle all enquiries at the first point of contact with the customer. This will have the benefit of increasing customer satisfaction with the service they receive but will also reduce costs, thereby providing a value for money solution to service provision which is based upon customer's needs and aspirations.

3.3.2 The proposal in the Accommodation Strategy was to locate the Call Centre at Harvey Road. The proposal is being pursued by the purchase of additional modular buildings to allow the staff in the Repairs Call Centre initially to move to Harvey Road, although there is capacity to allow further expansion of other call centre provision. In addition the two other Depots are to relocate to Harvey Road. Costs for this work are estimated to be £650K. The City Council have indicated that they are prepared to give some financial support to this proposal.

3.4 **Review of Area Office Accommodation**

3.4.1 A review of the current Area Housing Office provision is needed to ensure that it delivers a value for money service, and that it is fit for purpose in delivering not only the Company's aims and objectives but also in meeting the expectations of our customers.

3.4.2 Work needs to be undertaken with our customers to determine their preferences in how they want to access our services. We cannot assume that everyone wants to contact us through an area office, there maybe easier ways for them to do this, for example through a home visiting service. During the recent STATUS survey only 16% of our tenants indicated that their preferred way of contacting us was by

visiting an office. We need to explore all the options available with our customers.

3.4.3 It is suggested that an Area Housing Office Review Team should be established to undertake cost benefit analysis of the existing area offices as well as consultation with tenants and leaseholders and other key stakeholders, about how they would want to access our services.

3.4.4 Any proposal to change the way we delivered services would have to be agreed by the City Council and their agreement would depend on the Company being able to demonstrate tenant involvement in the process, along with a sound business case.

3.5.1 Current Accommodation Costs

The table below sets out our current costs for accommodation, Company wide.

3.5.2 Current Accommodation costs 07/08

| Office | Rental | Running Costs | Total | Nos Staff | Lessor |
|----------------------|-------------|---------------------|---------------------|-----------|---------|
| Houndsgate | 82K | 258K | 340K | 100 | NCC |
| Local Offices | | | | | |
| Clifton | 16K | 45K | 61K | | NHS |
| Lenton | 2K | 16K | 18K | 18.5 | NCC |
| St Anns | 5K | 30K | 35K | 21 | NCC |
| Victoria centre | 4K | 9K | 13K | 3 | NCC |
| Bestwood | 12K | 56K | 68K | | NCC |
| Bulwell | 11K | 43K | 54K | | NCC |
| Southglade | Nil | 29K | 29K | 16 | N/A |
| Aspley | 6K | 42K | 48K | | NCC |
| Bilborough | 6K | 22K | 28K | 19 | NCC |
| Hyson Green | 23K | 22K | 45K | 22 | Private |
| Sheltered | 6K | 9K | 15K | 37 | NCC |
| Call centre | 9K | 14K | 23K | | NCC |
| Guildhall | 43K | Nil | 43K | 24 | NCC |
| SubTotal | 143K | 337K | 480K | | |
| Technical | | | | | |
| Harvey Road | 43K | Costs for all sites | Costs for all sites | | NCC |
| Basford | 40K | | | | NCC |
| Eastcroft | 32K | | | | NCC |
| Sub total | 115K | 943K | 1,058K | | |
| Grand Total | 340K | 1,538K | 1,878K | | |

5 OTHER OPTIONS

5.1 The accommodation options available to the Company are newly emerging and work is ongoing to identify and evaluate all the options available. Board Members need to be aware that if the Company does

not take up the option for the additional floors in Hounds Gate the City Council will find an alternative tenant for them, and the Company will have little control over who those tenants will be and their compatibility with the services provided by NCH.

- 5.2 Investigations are being made as to the availability of other City Centre sites which could accommodate the Company. Discussions with the City and a number of commercial agents have revealed that sites big enough for the whole Company are not available currently.

6. FINANCIAL & RISK IMPLICATIONS

- 6.1 The cost of taking over the whole of the Hounds Gate building and establishing a single Call Centre will have to be met from efficiencies identified from within the Company, and potential financial contributions from the City Council. The source of any savings has still to be identified, but some costs may be found as a result of the review of area offices.

7. IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES

- 7.1 Our objective is to achieve excellent customer satisfaction with services provided by the Company, whilst ensuring those services represents VFM. Customer consultation is integral to that objective.

8. VALUE FOR MONEY & EFFICIENCY ISSUES

- 8.1 As above.

9. EQUALITY & DIVERSITY IMPLICATIONS

- 9.1 Any equality and diversity issues relating to the restructuring of service delivery and the movement to one call centre, will be identified in the review.

10. BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 10.1 Accommodation Strategy

CONTACT OFFICERS: Tim O'Brien
Head of Operations Income
14 Hounds Gate
Nottingham
NG1 7BA
Tel: 01159157426
E-mail: tim.obrien@nottinghamcityhomes.org.uk

DATE: 07. September 2007