

General  
Medical  
Council

# Executive Board meeting - 17 December 18

MEETING  
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<b>Agenda item:</b>	<b>4</b>
<b>Report title:</b>	<b>Accommodation Strategy</b>
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<b>Action:</b>	<b>To consider</b>

## Executive summary

Increased headcount is putting pressure on the availability of office accommodation in our London and Hardman Street premises. Previously this has been addressed by the introduction of scheduled homeworking and reconfiguring workspace to increase the number of desks. This is no longer possible and the options to accommodate further headcount increases and to introduce more flexible ways of working are limited to leasing additional office space or managing the number of colleagues present in the office to match the existing accommodation.

## Recommendations

The Executive Board is asked to:

- a** To increase the level of scheduled home working to accommodate headcount increases, and allow for the implementation of more flexible workspace.
- b** To engage architects Broadway Malyan to update their Hardman Street workplace audit and produce the same for London in June 2019.
- c** Engage property consultants to review London and Manchester property options prior to the 2020 budget setting process.
- d** In London to reconfigure the reception and meeting room area to provide more flexible workspace.

## Background

- 1** At 3 Hardman Street there are now 717 desks, 50 of which have been installed this year. In London since we moved to one floor in 2016, there are 88 desks in the open plan office area, excluding those in the Corporate Directorate and Registration Services areas. In November there were 1003 staff based in Hardman Street and 170 in London.
- 2** In Hardman Street we accommodated an additional 150 staff in 2016 as part of the relocation of roles from London, and a further 100 roles due to headcount increases since. We have now reached the capacity of the number of desks we can install without seriously degrading the working environment both in terms of the amount of space staff have to work in and flexibility of workspace, and the number of people that building services such as air conditioning can support.
- 3** A workplace audit of the GMC demise at 3 Hardman Street was delivered by architects Broadway Malyan in February 2016 and looked at occupancy levels and desk capacity against legal limitations, BCO (British Council of Offices) standards, and the base build capacity of services such as air conditioning, toilets, fire escapes and lifts. It concluded that with 627 desks in place, a maximum 84 desks could be installed before exceeding BCO standards, and 130 before exceeding the environmental services capacity of the building. We have installed 90 additional desks since that report.
- 4** Approved headcount growth bids in the 2019 budget show an increase of 36 at 3HS and seven in London. This excludes headcount increases resulting from New Initiative Fund (NIF) requests. In previous years this has resulted in headcount increases significantly higher than budgeted for at the beginning of the year.
- 5** We have introduced soft seating meeting spaces, touchdown tables, booth seating in refectories and some collaborative working space, building on our well-developed scheduled home working practice. The intention is to provide different types of workspace to give staff more control and choice over where and how they work and to gain the benefits of flexibility of different working patterns - while recognising that not everyone wants to work flexibly.
- 6** To further develop agile working opportunities, we engaged workplace design consultants Harmsen Tilney Shane (HTS) to carry out a workplace survey with staff and measure our occupancy levels. The purpose is to develop evidence based design for our workplace. Some 500 staff took part in the survey. The three top areas highlighted by staff for improvement were:
  - More quiet working areas
  - More collaborative working areas

- More small 1-2-1 meeting rooms

We have also held drop in sessions for staff to look at different ways of working and to give us their thoughts and suggestions.

- 7** We also receive requests for spaces for specific uses. For example the Mental Health Network has recently requested a quiet/work free area for staff to use in Hardman Street, and the WtUKP team are looking for additional space to run their events.
- 8** In London we regularly experience days where all open plan desks are occupied and in Hardman Street we regularly experience occupancy levels over 90%, and still have an increasing demand for space to satisfy:
  - Increased headcount.
  - Increased expectation from colleagues for different types of workspace and more control and choice over where and how they work.
  - A broader range of spaces and services in the workplace.
- 9** Allowing for a modest increase in headcount of 5% year on year will result in 200 staff needing to be accommodated in London, and 1200 in Hardman Street by 2021, if the increase was 10% this would make the headcount totals 226 and 1335 respectively.
- 10** The HTS report provided detailed information on occupancy levels in our buildings, on different days and for all teams. Every desk position, meeting room and break out area in Hardman Street, London, and St James's Building was checked 5 times a day over a 10 day period using floorplans on ipads with each desk reported as being occupied (someone at desk), in use (laptop/items on desk but person away from desk) or vacant (no sign of use).
- 11** The report showed that some areas in Hardman Street were much more heavily occupied than others and over the past 3 months we have used this information to change desk allocations, relocate teams and install desks where we can to make the desk/staff ratio more equitable across all teams.
- 12** Daily occupancy levels varied across the week, but followed a pattern. In London the average occupancy level was 76% but regularly exceeded 90% on Monday to Wednesday, dropped to 82% Thursday and as low as 48% on Friday. In Manchester a similar pattern was observed but with Fridays being around 60% occupied.

- 13** This results largely from the working patterns of staff and their approach to home working. When scheduled homeworking was introduced, the intention was to try and spread the number of staff working away from the office evenly.
- 14** The survey showed in London 30% of staff work from home 1 day a week and 41% more than 1 day a week, in Manchester the figures are 29% and 45%. However, in London the days on which staff work from home varies between 6% and 24% with 21% varying their days, and in Manchester although the % each day is even, 24% vary their day, as shown below, suggesting that there is still some benefit to be gained from managers reviewing the scheduling of homeworking in their teams.

London <i>Day away from office</i>	
Monday	6%
Tuesday	14%
Wednesday	14%
Thursday	24%
Friday	10%
No set day	21%
None	11%

Manchester <i>Day away from office</i>	
Monday	14%
Tuesday	13%
Wednesday	14%
Thursday	13%
Friday	12%
No set day	24%
None	11%

**Options to meet increasing space demands**

*Do nothing*

- 15** There are differences in scale and scope of what can be achieved in the London and Hardman Street offices, but in both locations doing nothing is not a viable option.
- 16** We are approaching the limit of the number of staff in the buildings that the building services can support.
- 17** We have already had days in London where colleagues have not been able to find a desk, and in Hardman Street we have high occupancy days where colleagues have trouble finding a desk near their teams. The frequency of this will only increase.

**Hardman Street**

*Acquiring additional accommodation*

- 18** Based on the forecasted costs for the new CAC premises, to acquire and fit out per 10,000 sq.ft. of additional accommodation in Manchester city centre would cost in the region of £1.6M, with subsequent annual operating costs of some £500k, excluding IS costs. This would provide sufficient space for between 110 and 140 desks depending

on layout and based on the current 7:10 desk/staff ratio, accommodation for between 158 and 200 staff. Space of this size regularly becomes available in 3 Hardman Street.

**19** The benefits of this option include:

- Increased desk numbers and capacity for increased headcount, with degrading our office accommodation.
- The space to provide more quiet and collaborative work areas, a range of less formal meeting spaces to relieve the pressure on meeting rooms.
- We would not have to increase homeworking.

**20** The challenges of this option include:

- The large upfront capital expenditure and ongoing operational costs.
- It is not a flexible option if staff numbers change.
- It could delay the introduction of more flexible and modern working methods.

*Increased scheduled homeworking*

**21** The staff survey showed that flexibility in work patterns was seen as a benefit. We currently have a mix of teams whose roles means they cannot work from home, teams working one day per week and a number teams working 2 days a week from home.

**22** Maintaining an occupancy level of 90% currently means 650 staff in the office, and allowing for 11% on leave or absent, some 250 staff each day working from home. To maintain this occupancy level without increasing desk numbers requires 89 additional staff to work from home each day for each headcount increase of 100 staff.

**23** This can be achieved by increasing scheduled home working to 2 days per week in teams that haven't adopted this principle and to 3 days per week if required, and using the results of the HTS report to guide managers to spread scheduled home working for those who vary their home working more evenly over the week.

**24** The benefits of this option include:

- Accommodate additional headcount with minimal cost implications.

- Increasing SHW to 3 days per week would enable us to remove desks to create alternative work spaces.
- The number of staff working from home can be varied according to variations in headcount.

**25** The challenges of this option include:

- Reduced visibility and face to face interaction may have a negative impact on team culture and staff morale particularly if working from home 3 days per week.
- Managers may feel they are losing sight of their teams' activities.
- Additional space will still be required for lockers and storage for the additional staff.
- Communications regarding this approach to ensure buy in and support.

## London

### *Acquiring additional accommodation*

**26** Acquiring additional accommodation in London is problematic. There is no available space within 350 Euston Road and the cost of property is significantly higher than in Manchester, for example we are forecasting that following rent reviews in 2019, we will pay rent of £32 psf in Hardman Street and £67 psf in London.

**27** To keep all London staff in one building would necessitate the acquisition of alternative premises and relocating from 350 Euston Road.

**28** In addition to those shown under 19, the benefits of this option include:

- Potentially securing operationally more cost effective premises.

**29** In addition to those shown under 20, the challenges of this option include:

- The comparatively larger upfront capital expenditure.
- Disruption to the organisation through relocation.

### *Increased scheduled homeworking*

**30** We are currently operating at a desk/staff ratio of 6:10 in London and the HTS report showed that 41% of staff in London are working at home more than 1 day per week. We can increase scheduled home working to 2 days per week in teams that haven't

adopted this principle and increase home working to 3 days per week if required to accommodate future increases in headcount. However the HTS report shows that there would be a significant benefit in London if the scheduled homeworking days were spread evenly throughout the week.

**31** The benefits and challenges of this option mirror those in 24 and 25 above.

### **2019 Accommodation review**

**32** The demand on our space in London and Manchester continually changes and will be influenced by such factors as:

- The impact of additional recruitment resulting from NIF bids.
- The consequences of advertising roles as being available in across multiple sites which has a disproportionate impact in London and the devolved offices.
- The ongoing requirement for the 3<sup>rd</sup> CAC circuit in Hardman Street – which would release some 7,000 sq ft of space if made available.

**33** We recommend engaging our contracted architects Broadway Malyan to revisit and update their 2016 Hardman Street workplace audit and produce the same for London taking into account the available knowledge in June 2019.

**34** We also recommend engaging property consultants to review options in London and Manchester prior to the 2020 budget setting process, to provide information on the full costs of further property acquisition and relocation.

### **Other accommodation considerations**

**35** We are currently looking at the following options to make better use of our space:

- The reception area in London is large for the size of office and number of visitors. There is an opportunity to reduce the size of the reception and reconfigure the surrounding area to create space for different working areas. An example floor layout is included in Annex A.
- Bench desks in London currently allow 1600mm desk space per person, in Hardman Street this is 1400mm. We propose trialling a 3<sup>rd</sup> “touchdown” position on selected benches for visiting staff and will also review if changing desks in London for 1400mm desks will allow for a more flexible use of space.
- Identifying single use spaces for example the Patient Liaison rooms and Directors rooms to make them more widely available for use when not occupied for their primary purpose.

## **4 – Accommodation Strategy**

## **4 – Annex A**

### **Example London office reception layout**

