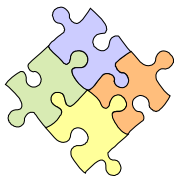


IMPACT ASSESSMENT

Northern Ireland

| | |
|-------------------|---|
| Location | Olivetree House, Belfast, BT1 5ES. |
| Original Proposal | To withdraw from Olivetree House and relocate staff to other HMRC offices within reasonable daily travel. |
| Decision | The intention is to withdraw from Olivetree House, relocating staff to Beaufort House, Belfast; Carne House, Belfast, Custom House, Belfast, Millennium House, Belfast and Moira House, Lisburn by autumn 2009. |
| Risks/Issues | None identified. |
| Mitigating Action | Further examination of individual circumstances will be undertaken through one to one discussions between managers and staff. No staff will be required to relocate beyond reasonable daily travel. |



Issued by Workforce Change
23 April 2008

IMPACT ASSESSMENT

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ALTERNATIVE VERSIONS

To receive this document in an alternative version please contact the Visually Impaired Media Unit on 01274 539 646

or

e-mail: VISUALLY IMPAIRED MEDIA UNIT, SHIPLEY (Accounts Office Shipley).

1 **SUMMARY**

1.1. **Background**

HMRC proposes to rationalise its estate in the Belfast urban centre with the aim of making more effective and efficient use of office space and to integrate teams within and across business units. As part of this proposal HMRC has reviewed its business requirement to remain at Olivetree House.

1.2. **Enquiry Centre Customers**

Enquiry Centre services are not provided at Olivetree House. The impact on customers is expected to be minimal.

1.3. **Socio-Economic**

The Olivetree House office is situated within the local authority of Belfast District Council. The unemployment rate in the Belfast metropolitan area is 4.2%, against the UK national average of 5.3%. There are around 6,265 VAT registered businesses in Belfast, employing approximately 192,300. There are 209 HMRC employees located at Olivetree House, which is less than 1% of those employed within Belfast. It is therefore reasonable to infer that the local economy is not dependent on the HMRC presence at this office.

1.4. **Staff**

Olivetree House accommodates a total of 209 staff. Concerns around additional travelling for staff have been raised. Further examination of individual circumstances will be undertaken through one to one discussions between managers and staff. No staff will be required to relocate beyond reasonable daily travel.

1.5. **Staff Diversity**

The gender ratio of staff is 49% female to 51% male. 18% of staff work part-time and of those 89% are female. 7% of staff are recorded as having a disability and no staff are recorded as being from an ethnic minority group. 43% of staff come from a Catholic community background and 50% come from a Protestant community background.

Workforce Change has undertaken an Equality Impact Assessment (EQIA) on the proposal for the Belfast urban centre, inviting members of the public, HMRC staff and unions to contribute their views at an early stage in HMRC's planning process, prior to any final decisions being taken. This invitation has included HMRC staff based at Olivetree House. Staff will also have an opportunity to raise any particular concerns with their manager during the one to one discussions.

The Equality Impact Assessment for Consultation, outlining the proposals for the urban centre, and a summary report of the consultation responses received have been published on the HMRC intranet and internet sites.

1.6. **Business Units**

The **Central Compliance** and **Local Compliance** business units will relocate to Custom House, Belfast.

The **Claimant Compliance** and **National Teams & SCI (NTSCI)** business units will relocate to Millennium House, Belfast

The **Debt Management & Banking (DMB)** business unit will relocate to Beaufort House, Belfast.

The **Enforcement & Compliance** business unit will relocate to Carne House, Belfast.

The **Risk & Intelligence** business unit will relocate to Moira House, Lisburn.

1.7. Finance

Estates related savings of approximately £506k per year will be realised through the full vacation of Olivetree House. More detailed information on savings will be available when the closure timetable is announced.

2 OFFICE PROPOSAL AND BUSINESS PLANS

2.1. Office Proposal

HMRC proposes to rationalise its estate in the Belfast urban centre with the aim of making more effective and efficient use of office space and bringing teams closer together within and across business units. It is proposed to withdraw from Olivetree House and relocate staff to, Beaufort House in Belfast, Carne House in Belfast, Custom House in Belfast, Millennium House in Belfast and Moira House in Lisburn.

2.2. Business Plans

Olivetree House is occupied by staff from the **Central Compliance, Claimant Compliance, DMB, Enforcement & Compliance, Local Compliance, NTSCI** and **Risk & Intelligence** business units.

Central Compliance and **Local Compliance** plan to relocate to Custom House in Belfast.

Claimant Compliance and **NTSCI** plan to relocate to Millennium House in Belfast.

DMB plans to relocate to Beaufort House in Belfast.

Enforcement & Compliance plan to relocate to Carne House in Belfast.

Risk & Intelligence plan to relocate to Moira House in Lisburn.

For most staff this will present an opportunity to co-locate with teams already there or who will also move there from other buildings in the Belfast urban centre.

3 ENQUIRY CENTRE CUSTOMER IMPACT

3.1. Enquiry Centre Summary

Enquiry Centre services are not provided at Olivetree House. The impact on customers is expected to be minimal.

4 **SOCIO-ECONOMIC IMPACT**

4.1. Member of Parliament and Constituency

Olivetree House is within the parliamentary constituency of Belfast South. The Member of Parliament is Dr Alasdair McDonnell (SDLP).

MPs who have written in about Belfast urban centre are Eddie McGrady, Ian Paisley, Jeffrey Donaldson, Gerry Adams, Lady Silvia Hermon and Sammy Wilson. These MPs raised concerns about the potential impact the proposals may have on staff, customers, the local economy and that HMRC continued to comply with all obligations under section 5 of the Northern Ireland Act 1998.

Gregory Campbell called a Westminster Hall debate and concerns were raised about public transport difficulties, potential increased travel for staff, the centralisation of work in Belfast and HMRC's Regional Review process for Northern Ireland. Workforce Change representatives held an MP meeting in Belfast on 20th March 2008 and it was attended by Jeffrey Donaldson, William McCrea and Alasdair McDonnell.

4.2. Local Economy

Olivetree House is situated within the local authority of Belfast District Council. The unemployment rate in the Belfast metropolitan area is 4.2%¹, against the UK national average of 5.3%². The table below shows the relative job density for Belfast District Council, Northern Ireland and the UK as a whole. Job density is a ratio of total jobs to working-age population and provides a measure of the economic health of an area³.

Table 1 - Job Density

| Belfast District Council | Northern Ireland | UK |
|--------------------------|------------------|------|
| 1.36 | 0.79 | 0.84 |

There are around 6,265 VAT registered businesses in Belfast employing approximately 192,300. There are 209 HMRC employees located at Olivetree House, which is less than 1% of those employed within the local authority area. It is therefore reasonable to infer that the local economy is not dependent on the HMRC presence.

There may be some impact on local businesses which at present benefit from the custom of HMRC staff based at Olivetree House. Any negative impact that may be caused by HMRC withdrawal from this location is expected to be temporary, lasting until such time as the building is reoccupied by another employer.

4.3. Sustainable Development

The intention to vacate Olivetree House assists HMRC in meeting its Sustainable Development Action Plan objective to provide office space of the right size and

¹ Source:www.belfastcity.gov.uk

² Source:www.nomisweb.co.uk

³ Source: Dept of Enterprise, Trade & Investment, Monthly Labour Market Report, Jan 2008. Data as at 2005.

quality to meet long term business needs. Through the Sustainable Development Action Plan HMRC has also committed to improving the energy efficiency of all retained offices and the Corporate Responsibility Unit will work with our Estates (ESS) and Information Management Solutions (IMS) specialists to meet this objective.

4.4. Media Activity

There have been local and regional press articles on the plans to reshape HMRC in Belfast urban centre but no specific media coverage around the future of Olivetree House.

4.5. External Engagement

The three local authorities in the Belfast urban centre were contacted on 18th September 2007. A six week period for responses was given and comments sought on various issues including local/regional economic factors, regeneration plans wider employer activity and plans for new or improved transport links. Responses were received from two local authorities, Lisburn City Council and Antrim Borough Council. Responses included concerns about potential impact on the local economy and jobs.

5 STAFF & STAFF DIVERSITY IMPACT

5.1. Business Unit Headcount

The table below shows the business units occupying Olivetree House⁴.

Table 2 - Staff in post by business unit

| Business Unit | Staff numbers |
|--------------------------|---------------|
| Central Compliance | 1 |
| Claimant Compliance | 21 |
| DMB | 54 |
| Enforcement & Compliance | 3 |
| Local Compliance | 108 |
| NTSCI | 8 |
| Risk & Intelligence | 14 |
| TOTAL | 209 |

⁴ Source: Latest headcount data provided by HMRC business units

5.2. Staff Diversity

The following diversity data has been provided by background HR systems and staff completion is not mandatory. The information is therefore incomplete for ethnicity and disability⁵.

Table 3 - Staff diversity⁶

| Ethnicity | % | Disability | % | Age Group | % |
|-------------------------------|----------|------------------------|----------|-------------------------|----------|
| White | 72 | Disabled | 7 | 15 - 24 | 1 |
| Ethnic minority | 0 | Not disabled | 49 | 25 - 34 | 16 |
| Chose not to declare | 1 | Chose not to declare | 2 | 35 - 49 | 49 |
| Not known | 27 | Not known | 42 | 50 - 59 | 31 |
| | | | | 60+ | 4 |
| Gender | % | Working Pattern | % | Part Time Gender | % |
| Male | 49 | Full time | 81 | Male | 11 |
| Female | 51 | Part time | 19 | Female | 89 |
| Community Background % | | | | | |
| Catholic | 43 | | | | |
| Protestant | 50 | | | | |
| Other faiths and philosophies | 0 | | | | |
| Not Known | 7 | | | | |

5.3. Equality Screening

Workforce Change has undertaken an Equality Impact Assessment (EQIA) on the proposal for the Belfast urban centre, inviting members of the public, HMRC staff and unions to contribute their views at an early stage in HMRC's planning process, prior to any final decisions being taken. This invitation has included HMRC staff based at Olivetree House. Staff will also have an opportunity to raise any particular concerns with their manager during the one to one discussions.

The Equality Impact Assessment for Consultation, outlining the proposals for the urban centre, and a summary report of the consultation responses received have been published on the HMRC intranet and internet sites.

⁵ Source: HR data at 1/01/08

⁶ Figures omitted in accordance with Code of Practice on ethnicity and disability monitoring

5.4. Staff Consultation

HMRC undertook a 10 week period of consultation between September 2007 and November 2007, inviting staff and unions to comment on the proposal to reshape HMRC within the Belfast urban centre. During this period 120 responses were received, representing the views of 524 of the 1,700 staff within the urban centre. In addition both the PCS and ARC unions made comments on behalf of their members.

The Summary Report of the Consultation Responses for the Belfast urban centre was published on the staff intranet site on 24 January 2007.

Comments were constructive and covered a range of topics, the main themes being travel, customer consideration and diversity. The majority of comments focused on travel related issues, including the likelihood of extended travelling times to new offices, poor availability of car parking in Belfast, increased costs and impact on work/life balance.

Many respondents raised concerns over potential impact to customer service as a result of implementing the proposals.

Unions and some staff felt that Northern Ireland should have been reviewed as a whole as this would have shown a better commitment to the equality agenda and Section 75 (Northern Ireland Act 1998).

Unions and some staff believe that the Belfast proposals contravene the Northern Ireland Assembly's decentralisation policy and other political and economic initiatives.

Business managers will meet with every individual affected by changes and discuss the implications for them and their options. Some staff may need to move to another HMRC location depending on personal circumstances.

6 RELOCATION OPTIONS FOR STAFF

This section considers the impact of relocating staff to alternative HMRC offices.

Central Compliance and Local Compliance, currently a total of 109 staff, will relocate to Custom House, Belfast.

The distance between Olivetree House and Custom House is 0.8 miles (1.3km). The journey between offices takes approximately two minutes by car and six minutes by bus⁷.

Claimant Compliance and NTSCI, currently a total of 29 staff, will relocate to Millennium House, Belfast.

The distance between Olivetree House and Millennium House is 0.8 miles (1.3km). The journey between offices takes approximately two minutes by car and three minutes by bus⁷.

⁷ Source: www.translink.co.uk

DMB, currently a total of 54 staff, will relocate to Beaufort House, Belfast.

The distance between Olivetree House and Beaufort House is 0.7 miles (1.1km). The journey between offices takes approximately three minutes by both car and bus⁸

Enforcement & Compliance, currently a total of 3 staff, will relocate to Carne House, Belfast.

The distance between Olivetree House and Carne House is 1.6 miles (2.6km). The journey between offices takes approximately four minutes by car. There are no bus routes between offices⁸.

Risk & Intelligence currently a total of 14 staff will relocate to Moira House, Lisburn.

The distance between Olivetree House and Moira House is 9.2 miles (14.9km). The journey between offices takes approximately 14 minutes by car and 22 minutes by bus⁸.

6.1. Beaufort House, Belfast

The map in section 8 shows the position of Olivetree House in relation to Beaufort House.

Beaufort House is an ex-IR office. HMRC occupies a space sufficient to accommodate an estimated 301 staff before desk sharing and shift patterns are taken into account. The building currently houses 285 staff. The majority of staff work in PAYE & SA Processing⁹

Beaufort House has seven parking spaces. There are no commuter spaces: all spaces are either official spaces or allocated as designated disabled bays.

Public car parking is available within 500m (545 yards) of the office¹⁰.

One to one discussions between staff and managers will establish the full impact of relocation to Beaufort House and could lead to alternative arrangements being considered

6.2. Carne House, Belfast

The map in section 8 shows the position of Olivetree House in relation to Carne House.

Carne House is an ex-CE office. HMRC occupies a space sufficient to accommodate an estimated 200 staff before desk sharing and shift patterns are taken into account. The building currently houses 234 staff. The majority of staff work in Detection⁹.

Carne House has 60 parking spaces. There are no commuter spaces: all spaces are either official spaces or allocated as designated disabled bays.

⁸ Source: www.translink.co.uk

⁹ Source: Latest headcount data provided by HMRC business units

¹⁰ Source: www.multimap.com

One to one discussions between staff and managers will establish the full impact of relocation to Carne House and could lead to alternative arrangements being considered

6.3. Custom House, Belfast

The map in section 8 shows the position of Olivetree House in relation to Custom House.

Custom House is an ex-CE office. HMRC occupies a space sufficient to accommodate an estimated 366 staff before desk sharing and shift patterns are taken into account. The building currently houses 303 staff. The majority of staff work in Local Compliance¹¹.

Custom House has 99 parking spaces. There are no commuter spaces: all spaces are either official spaces or allocated as designated disabled bays.

Public car parking is available within 1.0 miles (1.6km) from the office¹²

One to one discussions between staff and managers will establish the full impact of relocation to Custom House and could lead to alternative arrangements being considered.

6.4. Millennium House, Belfast

The map in section 8 shows the position of Olivetree House in relation to Millennium House.

Millennium House is an ex-IR office. HMRC occupies a space sufficient to accommodate an estimated 186 staff before desk sharing and shift patterns are taken into account. The building currently houses 90 staff, as well as ASPIRE contractors for whom HMRC is contractually obliged to provide accommodation.

Millennium House has three parking spaces. There are no commuter spaces: all spaces are either official spaces or allocated as designated disabled bays.

Public car parking is available within 0.3 miles (0.5 km) of the office¹²

One to one discussions between staff and managers will establish the full impact of relocation to Millennium House and could lead to alternative arrangements being considered.

6.5. Moira House, Lisburn

The map in section 8 shows the position of Olivetree House in relation to Moira House.

Moira House formerly housed both CE staff and, in the Phase 1 building, IR staff. HMRC occupies a space sufficient to accommodate an estimated 100 staff before desk sharing and shift patterns are taken into account. The building currently houses 86 staff. The majority of staff work in PAYE & SA Processing¹¹.

¹¹ Source: Latest headcount data provided by HMRC business units

¹² Source: www.multimap.com

Moira House has 32 spaces allocated to HMRC staff, including one designated disabled bay. Currently, and for some years, HMRC has had access to a further 76 on-site spaces allocated to an occupied part of the building.

There are no public car parks within 2.0 miles (3.2km) of the office¹³.

6.6. Daily Travel Assistance

A calculation based upon 209 relocated members of staff travelling between Olivetree House and Custom House, a return journey of 1.6 miles (2.6km), produces a maximum Daily Travel Assistance cost of £65k over three years¹⁴.

A calculation based upon 209 relocated members of staff travelling between Olivetree House and Beaufort House, a return journey of 1.4 miles (2.2km), produces a maximum Daily Travel Assistance cost of £57k over three years¹⁴.

A calculation based upon 209 relocated members of staff travelling between Olivetree House and Carne House, a return journey of 3.2 miles (5.2km), produces a maximum Daily Travel Assistance cost of £130k over three years¹⁴.

A calculation based upon 209 relocated members of staff travelling between Olivetree House and Millennium House, a return journey of 1.6 miles (2.6km), produces a maximum Daily Travel Assistance cost of £65k over three years¹⁴.

A calculation based upon 209 relocated members of staff travelling between Olivetree House and Moira House, a return journey of 18.4 miles (29.8km), produces a maximum Daily Travel Assistance cost of £750k over three years¹⁴.

Because Daily Travel Assistance forms part of a person's taxable income, any individuals receiving Working Tax Credit and claiming Daily Travel Assistance should be aware that their Working Tax Credit entitlement could be reduced as a result.

6.7. Other Government Departments

The expectation is that staff will relocate within HMRC. However opportunities may exist in other Government Departments or within the Northern Ireland Civil Service, Northern Ireland Office and Northern Ireland Assembly. Those located in the area include

- Northern Ireland Office
- Northern Ireland Assembly
- Dept of the First Minister and Deputy First Minister
- Dept Of Agriculture and Rural Development
- Dept of Culture, Arts and Leisure
- Dept of Enterprise, Trade & Investment
- Dept of the Environment

¹³ Source: www.multimap.com

¹⁴ Formula: staff x return mileage x PTR x 260 days x 3 years

- Dept of Health, Social Services and Public Safety
- Dept of Regional Development
- Dept of Social Development.

7 ESTATES & FINANCE

7.1. Estate Information

HMRC occupies Olivetree House under the contract with Mapeley. Olivetree House has 20 on-site car parking spaces. There are no commuter spaces: all spaces are either official or allocated as designated disabled bays.

7.2. Finance

Estates-related savings of approximately £506k per year will be achieved through the full vacation of Olivetree House. Initial relocation costs will need to be offset against this saving. More detailed information on savings will be available when the closure timetable is announced.

7.3. Information Management Solutions (IMS)

IMS has been engaged in the detailed consideration of the proposals for Olivetree House. IMS will work closely with ESS and business unit managers to provide the IT and telephony requirements for staff relocating to Beaufort House, Carne House, Custom House, Millennium House and Moira House.

8 MAP OF BELFAST URBAN CENTRE OFFICES

