

GEOGRAPHICAL RESTRUCTURING  
of Large Business Service work and staff

On 1 April this year, Large Business Service's (LBS) customer-facing work and staff were grouped into 17 business sectors. Although there are significant geographical concentrations of work for some particular sectors, the work in most sectors is spread across the UK in a number of LBS offices. LBS staff are also widely spread; around 1850 people in 75 offices in some 54 towns and cities.

LBS Management Group has a vision to move towards concentrating the work of individual sectors into a smaller number of locations. Important considerations are:-

- improving business focus and service to customers through co-location of direct, indirect and payroll tax specialists
- addressing the concerns of many LBS staff about the day to day difficulties of working with colleagues that are based elsewhere
- increasing LBS' professionalism as sector-specific knowledge and expertise improves

There are two powerful HMRC-wide drivers too. A national estates policy that is seeking to reduce and rationalise the accommodation HMRC occupies plus a Lyons review requirement to reduce posts in London and the south-east of England. The impact for LBS is that our current number of 75 offices in 54 different towns is not sustainable in the longer term.

The current proposal sees LBS based in thirteen urban centres plus two other towns where there is an essential LBS business need – map and summary of proposed sectors/locations attached. To further promote integrated working and to rationalise LBS' estate in line with HMRC strategic plans, there would be a single LBS office in each of these urban centres, thus co-locating LBS staff from all tax and specialist disciplines.

Conscious of LBS' obligations under Public Service Agreement objectives one and two we have tried to ensure there is a good fit between sectors and geography with the minimum disruption to business as usual. This is an aspect that will be a prominent feature during implementation.

No detailed work has yet been undertaken on implementing any changes. The outline plan envisages this to be a gradual process over several years with a target date of April 2010 for completion of the restructuring. Thus by this date, LBS staff will be located in 15 towns or cities, rather than the current 54. However it is already apparent that the majority of the direct tax cases (Corporation Tax) could be moved to new locations within the first half of 2007. It is the indirect tax side of the business that will take longer to rationalise and this will involve relocating posts from many of our outlying locations to the urban centres. The timing of LBS vacation from individual offices will depend to a large extent, but not exclusively, on HMRC-wide changes implemented as part of the national estates change plans.



## Proposed Structure Sector Locations

Belfast			
Direct	EC	Indirect	Specialist Unit
		Audit & N.I.	

London			
Direct	EC	Indirect	Specialist Unit
Banking	Banking	Banking	B
Insurance	Insurance	Insurance	B
Oil & Gas		Oil & Gas	C

Birmingham			
Direct	EC	Indirect	Specialist Unit
Automotive	Automotive	Automotive	A
Pharma/Chem		Pharma/Chem	C
Transport	Transport	Transport	C
Utilities	Utilities	Utilities	C

Manchester			
Direct	EC	Indirect	Specialist Unit
Business Services			A
Retail		Retail	A
Leisure		Leisure	A
Pharma/Chem	Pharma/Chem	Pharma/Chem	C
Construction	Construction	Construction	A
		Public Authorities	C

Bristol			
Direct	EC	Indirect	Specialist Unit
Food		Food	A
Telecomms/IT	Telecomms/IT	Telecomms/IT	A
Tobacco	Alcohol & Tobacco	Alcohol & Tobacco	C
Manufacturing		Manufacturing	A

Newcastle			
Direct	EC	Indirect	Specialist Unit
Manufacturing		Manufacturing	A
Leisure	Leisure	Leisure	A
Alcohol			C
Food			A
		Automotive	A

Edinburgh			
Direct	EC	Indirect	Specialist Unit
Banking	Banking	Banking	B
Insurance	Insurance	Insurance	B
	Oil & Gas	Oil & Gas	C
		Alcohol	C

Nottingham			
Direct	EC	Indirect	Specialist Unit
Automotive		Automotive	A
Construction		Construction	A
Manufacturing		Manufacturing	A
Transport		Transport	C
		Alcohol	C

Glasgow			
Direct	EC	Indirect	Specialist Unit
	Public Authorities	Public Authorities	C
		Alcohol	C
Banking			B
Insurance			B

Pembroke			
Direct	EC	Indirect	Specialist Unit
		Oil & Gas	C

Immingham			
Direct	EC	Indirect	Specialist Unit
		Oil & Gas	C

Peterborough			
Direct	EC	Indirect	Specialist Unit
Construction		Construction	A
Food	Food	Food	A
Retail	Retail	Retail	A
Telecomms/IT		Telecomms/IT	A

Leeds			
Direct	EC	Indirect	Specialist Unit
Retail		Retail	A
Manufacturing	Manufacturing	Manufacturing	A
Media			A
Real Estate	Real Estate	Real Estate	B
		Banking	B

Reading			
Direct	EC	Indirect	Specialist Unit
		Alcohol & Tobacco	C
		Automotive	A
		Business Services	A
	Public Authorities	Public Authorities	C
		Transport	C
		Utilities	C

Liverpool			
Direct	EC	Indirect	Specialist Unit
Business Services	Business Services	Business Services	A
Media	Media	Media	A
Transport		Transport	C
		Oil & Gas	C
		Alcohol	C

Alcohol & Tobacco sector is likely to concentrate in 4 locations which are still being determined