FIFTH COMMITTEE

Report of the Secretary-General Progress on the implementation of a flexible workplace at United Nations Headquarters (A/70/708) Statement by

Mr. Stephen J. Cutts, Assistant Secretary-General for Central Support Services 14 March 2016

Mr. Chairman, Distinguished Delegates,

I am pleased to introduce to you the Secretary-General's first progress report on the implementation of flexible workplace strategies at United Nations headquarters A/70/708. This report is submitted for your review pursuant to General Assembly resolution 69/274 section VII, paragraph 12 which requested the Secretary-General to submit to the General Assembly at the first part of its resumed seventieth session a progress report.

The team implementing this project has made substantial progress since the previous report on flexible workplace A/69/749. As detailed in the present report, the first phase of implementation is currently underway. The project is proceeding in phases each taking about three months and involving a few floors at a time.

In accordance with the guidance of the General Assembly 68/247 B section IV paragraph 3 that flexible workplace strategies in the United Nations should be aimed at improving the overall productivity and efficiency of the Organization, as well as the staff workplace environment, the project team has adopted an incremental approach. This involves giving attention to customisation of space to meet the specific work needs of the individuals and groups occupying the specific floors to ensure a positive impact on staff satisfaction with the new space environment and thereby improve productivity and staff well-being.

The increased degree of customization and making use of the most recent pricing information has resulted in an increase in the estimated cost per floor of implementation. And the detailed and extensive consultation process has also resulted in a delay to completion of the First Phase of the project (although not to the overall schedule) so that the staff currently in swing space will move back to their reconfigured floors in the middle of June this year.

In response to the request of the Department of General Assembly and Conference Management to continue occupancy of the Albano building, and because some departments have asked for more time to consider how to implement the project, and to retain the lowest cost per square foot lease, the secretariat has also adjusted its lease exit approach.

The plan presented in the previous report was to vacate three buildings at the end of their current leases, namely the Albano building, the UNFCU building in Long Island City and the Daily News building on 42^{nd} Street. The current plan is to vacate two buildings at the end of their current leases, namely the Innovation Luggage building and the Daily News building. I should stress that the decision not to vacate the UNFCU building as originally planned is for Long Term Accommodation factors and not as a result of Flexible Workplace considerations.

The plan presented in the previous report involved reconfiguring twenty-six floors of the Secretariat building thereby accommodating 800 more staff and eight floors of the FF building thereby accommodating 150 more staff at a total estimated cost of \$49.6 million. The reduction in rent and operating costs would offset the costs of that project in the year 2020.

By comparison the current plan still involves reconfiguring twenty-six floors of the Secretariat building, thereby accommodating 800 more staff as previously envisaged, but also three floors of the FF building thereby accommodating 75 more staff and five floors of the DC1 building also accommodating 75 more staff at a total estimated cost of \$65.7 million. The reduction in rent and operating costs would offset the estimated costs of the project in the year 2023; from then, of course, the savings would continue to accrue.

It has become clear through engagement with departments and staff in general on this project that flexible workplace strategies constitute a substantial change for the operating environment of the organization. To deal with staff and department concerns, the project team is undertaking a steady change management programme through engagement with staff in each phase and a communications programme through articles, posters and emails and a dedicated internal iSeek site.

As requested by the General Assembly, we have been attentive of the need to coordinate with other reform initiatives and related projects. We have kept colleagues from Geneva informed of our approach to assist them in incorporating flexible workplace into the planning of the strategic heritage plan. We are coordinating our activities with the team studying approaches to global services delivery and related Umoja impacts. And there is close coordination through our flexible workplace working group which incorporates colleagues responsible for the policy on flexible working arrangements (including greater teleworking opportunities).

Subject to the guidance and direction of the General Assembly, the next steps for the Secretariat are to continue planning and implementation of further project phases; to continue engagement and internal consultations with the departments directly affected by project phases; and to continue communications and change management efforts.

Then based on the experiences gathered, we will develop plans for further implementation at headquarters, which will be aligned with long-term accommodation and global service delivery objectives.

At this stage, the Secretary-General requests approval of the revised project sequence, implementation schedule and next steps; of the continuation of three temporary positions (1 P-5, 1 P-4, and 1 GS/OL) in the project team, and the approval of two additional General Service (Other level) positions with effect from 1 April 2016.

The Secretary-General also seeks authorization to enter into commitments up to the amount of \$47,282,500 in respect of the project costs in 2016-2017.

The Secretary-General proposes to submit the next report to the General Assembly at the main part of its seventy-second session.

Distinguished Delegates, I thank you for your attention. My colleagues and I will be available during the informal consultations to provide clarifications and answer your questions on the report as required.