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**Sixty-eighth session**

Agenda items 133 and 134

**Programme budget for the biennium 2012-2013****Proposed programme budget for the biennium 2014-2015****Implementation of a flexible workplace at  
United Nations Headquarters****Report of the Advisory Committee on Administrative and  
Budgetary Questions****I. Introduction**

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the implementation of a flexible workplace at United Nations Headquarters ([A/68/387](#)). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information, concluding with written responses received on 11 October 2013.

2. Background is provided in the summary and in paragraphs 1 to 3 of the report. As indicated, the initial report of the Secretary-General on a feasibility study of long-term accommodation needs at Headquarters conducted in 2010-2011 ([A/66/349](#)) took into account the use of a flexible workplace to potentially reduce the need for additional space. His subsequent report on an expanded feasibility study conducted in the biennium 2012-2013 ([A/67/720](#)) provided a more detailed analysis of the types of alternative workspaces and their use to reduce per person space requirements. For planning purposes, a reduction of 10 per cent was assumed to be achievable owing to real estate efficiencies. The current report of the Secretary-General is submitted pursuant to General Assembly resolution [67/254](#), in which the Assembly noted the initiative of the Secretary-General to commission a report on the application of flexible workplace strategies and working arrangements in the Organization and looked forward to receiving the report of the Secretary-General at the main part of its sixty-eighth session.

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3. The report of the Secretary-General provides information on: (a) the definitions and components of flexible working (paras. 1-15); (b) the flexible working strategies used across different industries and sectors, trends and benchmarks from public sector entities and the lessons for the United Nations Secretariat (paras. 16-21); (c) the population, real estate and workspace arrangements in the Secretariat as at the end of 2012 (paras. 22-28); (d) a preliminary assessment of space utilization, staff attitudes towards a change in their workplace environment and flexible workspace potential at Headquarters (paras. 29-40); (e) the linkages between flexible working and other ongoing business transformation initiatives, in particular the deployment of the enterprise resource planning system, Umoja, as well as efforts to create a more mobile workforce, a digital Secretariat, a climate-neutral United Nations and organizational resilience management (paras. 41-50); and (f) a road map towards a longer-term flexible workplace strategy for the Secretariat (paras. 51-55). The Secretary-General invites the Assembly to take note of the report and to request him to submit a report to the Assembly at its sixty-ninth session containing details of the business case for the implementation of a flexible workplace.

## II. Comments and recommendations

4. The Advisory Committee notes that the report under consideration is the first report of the Secretary-General on flexible working arrangements at Headquarters. **In general, the Committee is of the view that the report constitutes a useful introduction to the subject, setting out some of the multiple factors that come into play in the design and implementation of a flexible workplace. It concurs with the view of the Secretary-General that a more detailed study is needed, both to validate the findings of the preliminary assessment and to develop a business case for a flexible workplace.** In the present report, the Committee puts forward its observations and recommendations on the scope and timing of the business case report, as well as on specific aspects to be covered.

### Scope and timing of the business case report

5. The Secretary-General states that the report is intended to facilitate the consideration by Member States of his report on long-term accommodation needs at Headquarters, in which the future staff populations at Headquarters and their office space needs are projected, taking into account flexible workplace strategies. **The Advisory Committee notes that during the sixty-eighth session, the General Assembly will consider proposals for future real estate requirements at Headquarters. It reiterates the importance of conducting a comprehensive analysis of space requirements and ensuring that all relevant factors are taken into account during the planning phase of construction projects in order to accurately estimate space allowance and ensure the most efficient use of office space (see [A/66/7/Add.3](#)). With a view to providing the Assembly with a sound basis on which to make informed decisions regarding long-term accommodation at Headquarters in a timely manner, the Committee recommends that the proposed business case report be submitted as early as possible for consideration by the Assembly, no later than at the first part of its resumed sixty-eighth session.**

6. In addition, the Advisory Committee considers that flexible working principles are applicable across the Secretariat and that the scope of the business case report should be broadened to cover flexible workplace strategies at all duty stations, in particular those for which major construction and renovation proposals are under consideration by the General Assembly. **In this regard, the Committee recommends that the Assembly request the Secretary-General to assess the potential for flexible working arrangements at the Geneva-based offices in the context of his next report on the strategic heritage plan of the United Nations Office at Geneva (see also [A/68/585](#)).**

7. The linkages between flexible working arrangements and other initiatives currently under way in the United Nations are outlined in paragraphs 41 and 42 of the report. The Secretary-General states that the deployment of Umoja is conducive to flexible working arrangements in that it will allow staff across the entire Secretariat to draw on the common enterprise resource planning platform and execute many functions in a harmonized and location-independent manner. He further indicates that the concept of the flexible workplace is aligned with the efforts to create a mobile workforce, a digital Secretariat, a climate-neutral United Nations and organizational resilience management, and that the Secretariat will explore ways to create synergies between those initiatives.

8. **In this connection, the Advisory Committee recalls that the implementation of Umoja involves extensive re-engineering of business processes and is expected to have an impact on the evolution of the staffing and skill requirements of the Secretariat. The Committee further recalls that the Secretary-General is to submit a report containing proposals for a new global service delivery model for consideration by the General Assembly. It notes that the Umoja team has started to explore the opportunities afforded by the Umoja solution in terms of rationalizing and consolidating transactional and other back-office tasks throughout the Secretariat ([A/68/375](#), para. 37). The adoption by the General Assembly of a new service delivery model could affect requirements in terms of the number, skills and location of staff. The Committee recommends that the Assembly request the Secretary-General to reflect, in his business case report, the expected impact of ongoing management improvement initiatives such as Umoja on space requirements at different Secretariat locations.**

#### **Planning assumption for long-term accommodation at Headquarters**

9. The Advisory Committee recalls that in the first feasibility study ([A/66/349](#)), the Organization's long-term accommodation needs for the period 2014-2034 were based on an office space allowance of 250 ft<sup>2</sup> (23.2 m<sup>2</sup>) per person, taking into account guidelines established in 2004. In that report the Secretary-General indicated that a flexible workplace could potentially reduce the need for additional space over the long term. In its related report, the Committee recommended that the Secretary-General be requested to refine his analysis of the factors affecting office space requirements (including flexible working arrangements and alternative workplace strategies) and the assumptions used to estimate long-term requirements ([A/66/7/Add.3](#), para. 42). In his subsequent report on an expanded feasibility study ([A/67/720](#)), the Secretary-General indicated that the renovation of the Secretariat

Building had resulted in an average of 220 ft<sup>2</sup> (20.4 m<sup>2</sup>) per person on office floors.<sup>1</sup> On the basis of a review of evolving industry trends and the implementation of alternative workspace strategies, the Secretary-General estimated that a further savings of 10 per cent in overall space requirements would be achievable, and lowered the 220 ft<sup>2</sup> (20.4 m<sup>2</sup>) per person on office floors to an overall space allowance of 200 ft<sup>2</sup> (18.6 m<sup>2</sup>) per person.

10. In his current report, drawing upon further analysis of the organizational context of the United Nations and international best practices and lessons learned as well as an observational study of the actual utilization of workspaces during the course of a typical workday, the Secretary-General has revised the 10 per cent baseline figure and established an assumption for planning purposes of a 20 per cent reduction from the existing workspace planning figure of 220 ft<sup>2</sup> (20.4 m<sup>2</sup>) per person on office floors. The Secretary-General states that this planning assumption is subject to further analysis of the specific needs and constraints of various departments and of the investments needed in the reconfiguration of space, information and communications technology and human resources to support the successful implementation of a flexible workplace (A/68/387, para. 40).

11. In paragraphs 18 to 20 of his report, the Secretary-General provides information on flexible working trends and benchmarks in public sector entities. The Advisory Committee notes that in the offices reviewed, in those with a traditional layout and one person per workspace, the area allocated to each person varied between 116 and 233 ft<sup>2</sup> (10.8-23.6 m<sup>2</sup>) with an average of 190 ft<sup>2</sup> (17.6 m<sup>2</sup>) per person, whereas in flexible workplace environments the density ranged from 66 to 180 ft<sup>2</sup> (6.1-16.7 m<sup>2</sup>) per person, with an average rate of 125 ft<sup>2</sup> (11.6 m<sup>2</sup>) per person.<sup>2</sup> **While noting that the Secretary-General's new proposal, based on 20 per cent space savings, represents a reduction as compared with the previous assumption, the Committee is of the view that not all opportunities for efficiencies in space requirements have yet been fully explored. It recommends that the General Assembly request the Secretary-General to continue to pursue his efforts to seek additional efficiencies in space utilization with a view to achieving closer alignment of the United Nations average space requirements with the benchmarks of public sector entities.**

12. The methodology and results of the observational study are described in paragraphs 29 to 34 of the report of the Secretary-General. He indicates that data were collected on an hourly basis over a four-day period on the utilization of assigned workspaces, such as offices and workstations, as well as adjacent meeting rooms, lobbies and corridors in representative locations covering a total of six floors in the Secretariat and DC1 Buildings, including a conference room floor. The Advisory Committee notes that the data showed an average utilization rate of

<sup>1</sup> Upon enquiry the Advisory Committee was informed that the 220 ft<sup>2</sup> allocated per person under the capital master plan applied to typical office floors (floors 8-38 of the Secretariat Building, excluding meeting rooms and mechanical floors) where the space amounts to 555,039 ft<sup>2</sup>, for a seated capacity of 2,519 individuals. In comparison, the total area of the building amounts to 900,000 ft<sup>2</sup>, including the lobby and other ancillary and support spaces.

<sup>2</sup> Upon enquiry, the Advisory Committee was informed that the benchmark figures provided in paragraphs 18-20 of the report of the Secretary-General (A/68/387) were roughly comparable to the amount of space allocated per person on office floors of the Secretariat Building, although a 10 per cent variance should be allowed to account for a possible difference in calculations between rentable and gross square metres.

around 50 per cent, peaking at 70 per cent and dropping to 30 per cent at certain times and locations. The Secretary-General states that such rates are typical of public sector entities that do not implement flexible workplace arrangements. The Secretary-General further indicates that, if a more comprehensive study were to confirm that the current average space utilization rate is approximately 50 per cent across all office space at Headquarters, it would be possible to more efficiently utilize temporarily available space by implementing flexible working arrangements and desk-sharing. **The Committee recommends that the General Assembly request the Secretary-General to conduct a comprehensive study of actual space utilization, taking into account the most up-to-date trends and industry best practices, and to provide in his business case report a detailed analysis of the results obtained. The Committee emphasizes the need for detailed and accurate data on space utilization in order to ensure the most accurate possible estimation of space requirements and to facilitate decision-making by the Assembly.**

#### **Composition and leadership of the working group**

13. The Secretary-General indicates in paragraph 3 of his report that an interdisciplinary working group has been established in the Department of Management to address the implementation of a flexible workplace, which would involve a number of significant issues in the areas of human resources, information and communications technology and facilities management. The working group is chaired by the Office of Central Support Services and includes representatives of the Office of Human Resources Management and the Office of Information and Communications Technology, with support from external experts with experience in the design and implementation of flexible workplace solutions. The Secretary-General further indicates, in paragraph 52, that international trends and best practices show that the successful implementation of a flexible workplace requires the reconfiguration of workspace, enhanced information technology and revised human resources policies, as well as a phased and iterative approach to implementation, adapting to evolving work practices and needs.

14. **The Advisory Committee welcomes the decision of the Secretary-General to establish an interdisciplinary working group to address this matter. In view of the significant impact of the implementation of a flexible workplace on the working environment, workplace communication and working methods, as well as on human resources management policies, the Committee stresses the crucial importance of the active participation of the Office of Human Resources Management in the formulation of the business case study. The Committee also stresses the need to ensure that the Secretariat departments and offices concerned have an opportunity to provide input to the working group, and furthermore that any proposals for flexible working arrangements should be well adapted to the specific requirements of staff performing different functions and those in different departments, work groups and locations. The Committee further stresses the importance of close and sustained collaboration with the Umoja project team in this regard with a view to identifying the impact of the streamlining and re-engineering of business processes on staffing and space requirements.**

15. **The Advisory Committee recommends that the General Assembly request the Secretary-General to ensure that all offices and actors concerned are adequately represented in the working group and are given the opportunity to contribute fully to its activities. It emphasizes that any flexible working arrangements proposed should ensure that the productivity of the Organization and its staff is enhanced and should not focus only on reducing space requirements.**

#### **Space utilization in the renovated Secretariat Building**

16. To facilitate its consideration of the report of the Secretary-General, upon request the Advisory Committee was provided with revised versions of table 3, sections B and C, of the report of the Secretary-General updated to include the areas allocated to shared spaces in square metres (see below). **The Committee recommends that the General Assembly request the Secretary-General to provide the metric equivalents of all space-related data in future reports.**

#### **Space allocation in United Nations Secretariat on-campus building in accordance with the space planning guidelines of August 2012**

	<i>Square feet</i>	<i>Square metres</i>
<b>B. Shared meeting spaces</b>		
(typical configuration per floor)		
Small meeting room (2x)	96	8.9
Medium meeting room (2x)	192	17.8
Open informal (1x)	64	5.9
Soft meeting space (1x)	64	5.9
<b>C. Shared resources</b>		
(typical configuration per floor)		
Arrival point space (1x)	96	8.9
Resource area (2x)	192	17.8
Focus booth (3x)	24	2.2
Visitors touchdown (8 seats)	64	5.9
Browsery (3x)	48	4.5
Pantry	20	1.9

17. In response to its request, the Advisory Committee was also provided, for comparison purposes, with the following table showing office space planning guidelines for the Secretariat Building before and after the implementation of the capital master plan, including figures in both square feet and square metres. In this regard the Advisory Committee notes the statement in paragraph 25 of the report of the Secretary-General that the introduction of an open floor plan and the development of new office space guidelines under the capital master plan project allow for the allocation of office space in a rational, simple and streamlined way, and furthermore that the less closed and hierarchically defined individual space encourages greater teamwork. **The Committee notes that the methodology for actual space allocation, as shown in the table above, continues to be based on hierarchical roles.**

Level	Net usable area for offices						
	Before capital master plan			New guidelines	After capital master plan		
	Square feet	Square metres	Classification		Square feet	Square metres	Classification
Under-Secretary-General/ Assistant Secretary-General	420	39	Enclosed/private office	Work style A: Under-Secretary-General/Assistant Secretary-General	384	35.7	Enclosed/private office
Director (D-2)	336	31.2	Enclosed/private office				
Principal Officer (D-1) (i)	258	24	Enclosed/private office	Work style B: Director	192	17.8	Enclosed/private office
Principal Officer (D-1) (ii)	192	17.8	Enclosed/private office				
Senior Officer (P-5)	144	13.4	Enclosed/private office	Work style C: Professional	96	8.9	Open areas
Other officer (P-1 to P-4)	96	8.9	Enclosed/private office				
Supervisor (G-5)	100	9.3	Open area				
Secretary/clerk	85	7.9	Open area	Work style D: General Service	64	5.9	Open areas
Typist	60	5.6	Open area				
<b>Typist in pool</b>	<b>42</b>	<b>3.9</b>	<b>Open area</b>				

18. In addition, upon request the Advisory Committee was provided with a summary table showing the Secretariat population accommodated at Headquarters before and after the implementation of the capital master plan, which is annexed to the present report. The Committee notes that, in the renovated Secretariat Building, the actual gross number of square feet per person has decreased from 326 (30.26 m<sup>2</sup>) to 314 (29.18 m<sup>2</sup>). The Committee was informed that the gross figures for the number of square feet per person provided in the annex were high because they included lobby spaces and other ancillary building and support services in contrast to those provided in the report of the Secretary-General (see paras. 9 and 10 above), which apply to typical office floors from the 8th to 38th floors of the Secretariat Building, excluding meeting room and mechanical floors.

19. The Advisory Committee recalls that it requested the Board of Auditors to verify the occupancy of the renovated United Nations campus as part of its subsequent audit on the capital master plan project (A/67/548, para. 42). In its report, however (A/68/5 (Vol. V)), the Board indicated that the data required, such as the number of personnel working in the Secretariat and other Headquarters buildings, was unavailable at the time of its audit. **The Committee trusts that the required data will be collected in the context of the above-mentioned comprehensive study of actual space utilization. In view of the low utilization rates determined in the context of the observational study (see para. 12 above), the Committee recommends that the Secretary-General be requested to analyse whether the current allocation of space in the renovated Secretariat Building, including the allocation of two floors for meeting rooms, is the most efficient allocation possible, and to explore cost-effective options for more efficient**

utilization of workspace and staff meeting rooms in the near term. The Committee further recommends that the Secretary-General be requested to include in the business case report proposals for optimizing the current occupancy of the renovated Secretariat Building. As indicated in paragraph 17 above, and taking into account the statement in paragraph 25 of the report of the Secretary-General, the Committee is of the view that consideration should be given to aligning space allocation with operational and functional requirements rather than simply with grade levels and the hierarchical structure of the Organization.

### **III. Conclusion and recommendations**

20. The action requested of the General Assembly is set out in paragraph 56 of the report. **The Advisory Committee recommends that, subject to its observations and recommendations in the present report, the Assembly take note of the report of the Secretary-General.**

## Annex

## United Nations Secretariat population accommodated at Headquarters before and after the implementation of the capital master plan

	Pre-capital master plan (January 2008) <sup>a</sup>					Post-capital master plan (September 2013)				
	Number of personnel	Gross square feet	Gross square metres	Gross square feet per person	Gross square metres per person	Number of personnel	Gross square feet	Gross square metres	Gross square feet per person	Gross square metres per person
<b>A. United Nations Secretariat population accommodated at Headquarters</b>										
Total population accommodated	6 941	–	–	–	–	8 516	–	–	–	–
Staff and non-staff personnel	–	–	–	–	–	8 142	–	–	–	–
Press	–	–	–	–	–	233	–	–	–	–
Vendors	–	–	–	–	–	141	–	–	–	–
<b>B. Population housed in United Nations-owned space</b>										
Secretariat Building, including touchdown and VIP spaces: programmed seated staff and non-staff personnel <sup>b</sup>	2 763	900 000 <sup>c</sup>	83 613	326 <sup>c</sup>	30.26	2 865	900 000 <sup>c</sup>	83 613	314 <sup>c</sup>	29.18
Other on-campus locations: programmed seated staff and non-staff (Conference Building basement, General Assembly Building, Library, North Lawn Building, South Annex Building)	962	416 250	38 671	433	40.20	536	416 250	38 671	777	72.15
UNITAR building: seated staff and non-staff personnel	104	23 000	2 137	221	20.55	123	23 000	2 137	187	17.37
Non-seated staff and non-staff personnel	500	–	–	–	–	937	–	–	–	–
Press	183	–	–	–	–	233	–	–	–	–
Vendors	139	–	–	–	–	141	–	–	–	–
<b>Total owned<sup>d</sup></b>	<b>4 651</b>	<b>1 339 250</b>	<b>124 421</b>	<b>288</b>	<b>26.75</b>	<b>4 835</b>	<b>1 339 250</b>	<b>124 421</b>	<b>277</b>	<b>25.73</b>
<b>C. Population housed in United Nations-leased space (December 2012)<sup>e</sup></b>										
DC-1	653	189 569	17 612	290	26.97	865	196 566	18 262	227	21.11
DC-2	953	302 852	28 137	318	29.52	1 172	312 728	29 054	267	24.79
FF Building	409	131 164	12 186	321	29.79	452	131 164	12 186	290	26.96
Alcoa Building <sup>f</sup>	78	30 845	2 866	395	36.74	10	30 845	2 866	–	–

	Pre-capital master plan (January 2008) <sup>a</sup>					Post-capital master plan (September 2013)				
	Number of personnel	Gross square feet	Gross square metres	Gross square feet per person	Gross square metres per person	Number of personnel	Gross square feet	Gross square metres	Gross square feet per person	Gross square metres per person
Falchi Building (Archives and Records Management Section warehouse), Long Island City <sup>g</sup>	9	29 563	2 747	–	–	11	50 413	4 684	–	–
Daily News Building <sup>f</sup>	58	21 797	2 025	376	34.91	15	31 891	2 963	–	–
Innovation Building (lease did not exist in 2008)	–	–	–	–	–	364	127 188	11 816	349	32.46
Court Square (lease did not exist in 2008 — square footage for all four floors) <sup>g</sup>	–	–	–	–	–	120	79 079	7 347	659	61.22
Albano Building (lease did not exist in 2008)	–	–	–	–	–	609	187 060	17 379	307	28.54
Uganda House (lease was terminated in 2009)	49	10 388	965	212	19.70	–	–	–	–	–
Chrysler Building (sublease from United Nations Office for Project Services)	81	8 100	753	100	9.29	–	–	–	–	–
<b>Total leased<sup>g</sup></b>	<b>2 290</b>	<b>724 278</b>	<b>67 291</b>	<b>316</b>	<b>29.38</b>	<b>3 618</b>	<b>1 146 934</b>	<b>106 557</b>	<b>317</b>	<b>29.45</b>

<sup>a</sup> Figures are from the space management database (January 2008), which do not capture some non-staff categories such as consultants. Non-seated staff and non-staff personnel figures are approximate.

<sup>b</sup> Figures are provided by executive offices; staff includes established posts and general temporary positions; non-staff includes consultants, contractors, Junior Professional Officers and interns. Vendors are personnel on United Nations premises supporting catering and other commercial activities, excluding banks.

<sup>c</sup> The area of 220 ft<sup>2</sup> gross allocated per person in the capital master plan applies to typical office floors in the Secretariat Building (i.e. floors 8-38, excluding conference rooms and mechanical floors), where the space amounts to 555,039 ft<sup>2</sup> gross, with a seated personnel capacity of 2,519. The figures in the table are higher, as they are based on an area of 900,000 ft<sup>2</sup>, consistent with other reports, which includes lobby spaces and other ancillary and support spaces, and the population capacity including in those spaces.

<sup>d</sup> Number of personnel and affiliates that can be accommodated in-house assuming that 100 per cent seats, including touchdown spaces, are assigned.

<sup>e</sup> The post-capital master plan restacking exercise will be concluded by 31 December 2013. The updated number of staff accommodated in leased buildings will be available in early 2014.

<sup>f</sup> In December 2012, adjustments to the occupancy of some leased buildings were still being made following the reoccupation of the Secretariat Building. The Alcoa and Daily News Buildings had few occupants at that time.

<sup>g</sup> Includes non-office functions such as archives (Falchi) and classrooms (Court Square).