

Admin Accommodation Portfolio– Further property rationalisation

Summary

1. This report gives a progress update on the extension of the scope of the Administrative Accommodation rationalisation to further reduce the number of office buildings used by the Council and increase the accommodation provided to partners.
2. It also sets out proposals to use some of the additional savings to fund adaptations to Hazel Court to enable the complex to accommodate increased numbers of staff.

Background

3. In 2009 the then Executive agreed plans to develop West Offices and rationalise our administrative accommodation from 17 buildings to 4. A budget of £43.8m was agreed to undertake the design, build, refurbish and fit out West Offices.
4. The project will bring a wide range of benefits for the Council and for the city.
 - Efficiency – it will deliver a total saving of £17.4m over a thirty year period.
 - Sustainability - It is on track to achieve BREAM Excellence, delivering 55% of its energy requirement from renewables, reducing carbon emissions by a 55% and achieving a “B” rating EPC (Energy Performance Certificate) compared to our current buildings which are D and E rated.
 - Customers – It will provide a single location for all council face to face services and the ability for city partners to use this facility will improve the integration and accessibility of services for customers
 - Preserving our Heritage – the restoration of West offices, the Grade 2* listed former railway station, combined with the sensitive integration of a striking modern new build office space has ensures the future of an important architectural asset in the city.

5. The Project is going well and it is anticipated that staff will be fully migrated into West Offices by March 2013, in line with the original plan. CYC staff and contractors are now on site at West Offices undertaking the early stages of commissioning the ICT infrastructure.
6. In January 2012 Cabinet agreed to expand the scope of the Admin Accommodation programme to exit the Guildhall, St. Anthony's House and 50 Acomb Rd. This meant accommodating approx 200 additional staff and 47 members within the remaining two buildings (West Offices and Hazel Court). It also meant that other facilities currently located in the Guildhall needed to be built into West offices.
7. This further rationalisation creates further efficiency savings from exiting 3 further buildings with total revenue savings of £235k per year.
8. We have been extremely successful in attracting partners to share our accommodation in West Offices. There are currently 113 desks allocated to partners and heads of terms are currently being negotiated with York Citizens Advice Bureau, York Energy Partnership, North Yorkshire Police and the Vale of York Commissioning Consortia.
9. In order to achieve these savings it has been necessary to make changes to the design of West offices to :-
 - Extended customer centre facilities to serve increased numbers of face to face customers from partners.
 - Additional partition on the ground floor to provide confidential office space for partners
 - Revised design of the original goods entrance to accommodate a new Print Room currently located in the Guildhall
 - More intensive use of the West offices building to accommodate larger numbers of staff with a focus on facilitating a greater level of flexible working – a move from an expected 5 people to every 4 desks to 5 people to every 3 desks. This has required increased power and data provision on all floors.

Hazel Court

10. It is proposed that the Hazel Court site becomes our second Admin Accommodation site and as such requires the same flexible working facilities, increased office space, and augmented disaster recovery capability. Plans are attached at Annex 1 to make adaptations to the Eco Building, the amenities block and the workshops. This involves :-
 - Removing existing internal partitions
 - Rationalising work issue rooms
 - Moving storage facilities
 - Improving cafe, showering and toilet facilities
 - Providing flexible workspaces.

- Providing internet and telephony access that will enable Hazel Court to operate as a disaster recovery site for CYC, particularly to be able to relocate Customer Services
11. These adaptations are outside the scope of the current West offices project. The costs of the proposals are set out in Annex 2 and it is proposed that these are funded from savings made by exiting the three additional properties.
 12. All of these changes can be accommodated within the original proposed overall timescales for the project. It is anticipated that staff will all be moved to either West Offices or Hazel Court by the end of March 2013.
 13. As part of the existing Capital Programme a gatehouse reception is being built to replace the temporary structure currently used to welcome visitors to the site. This has been incorporated into the overall site plan but is already funded.

Consultation

14. Staff, unions and partners have been consulted upon these proposals.

Corporate Priorities

15. This proposal will help deliver the Councils core capabilities to collaborate with partners, to focus on our priorities and to be completely in touch with our communities.

Financial Implications

16. The original project scope will be delivered within the budget of £43.8m.
17. Additional adaptations at Hazel Court will cost £618k. This will be funded from the savings made from moving out of the Guildhall, St Anthony's House and 50 York Road.
18. The savings total a further £235kpa and are in addition to the existing £17.4m savings already identified.

Other implications

19.
 - Human Resources (HR) – In order to provide appropriate accommodation for staff following decisions to exit The Guildhall, St Anthony's House and 50 Acomb Rd, flexible work space needs to be created. The Current facilities at Hazel Court would not enable staff to operate using new flexible work styles and would not accommodate sufficient staff.

- Equalities –The improvements to Hazel Court will ensure that Hazel Court is fully accessible. The proposals have been consulted on with the Staff Equalities Reference Group
- Legal – None
- Crime and Disorder - None
- Information Technology Contained within the report
- Property – Contained within the report

Risk Management

20. If the proposed work is not undertaken then the Council will not be able to accommodate all required staff in Hazel Court and would therefore not be able to exit St Anthony's and the Guildhall. There are significant long term costs associated with staying in the Guildhall which the Council has no budget to meet. It would also not be possible to create a capital receipt from St Anthony's House.

Recommendations

21. Cabinet are asked to

- a) Recommend to Council the proposals for amending the design of Hazel Court to accommodate more staff and increased range of facilities.

Reason: To reduce the Council's Admin Accom portfolio and ensure the provision of suitable flexible workspaces for staff and partners in Hazel Court

- b) Recommend to Council to create a capital budget of £618k to be funded from revenue savings achieved by exiting the 3 additional buildings.

Reason: To ensure the effective delivery of the capital programme

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Wards Affected: List wards or tick box to indicate all				All
Guildhall For further information please contact the author of the report				

Background Papers:

Annexes

Annex 1 – Revised Plan of Hazel Court – available online
Confidential Annex 2 - breakdown of Hazel Court costs