

URN: 23-107

Delivering our services differently –

Building Rationalisation

Report to: Cabinet

Responsible Cabinet Member: Cllr Graham Plant

Responsible Officer: Head of Property and Asset Management

Date of meeting: 25th July 2023

Is this a Key decision No



EXECUTIVE SUMMARY / INTRODUCTION

The way we work, and the way our residents expect to access our services has changed significantly over recent years. As part of its wider transformation agenda the Council seeks to use our building assets more effectively, co-locating teams in the best place and making our services easier to access for our residents. Within these proposals is a commitment to deliver a saving in the 2023/24 budget for the rationalisation of council office buildings from four to three. Buildings occupied currently include the Town Hall, Greyfriars House, Novus House and Catalyst.

This report identifies opportunities to re-locate our staff to offer dedicated customer support facilities at Novus House and Civic and office spaces at the Town Hall, making best use of council resources by reducing the costs of our buildings.

RECOMMENDATIONS:

1. To vacate Greyfriars House office accommodation, relocating customer facilities and staff across Town Hall, Novus House and Catalyst buildings.
2. To approve a capital budget allocation of £225k to facilitate the relocations works.

Introduction

In recent times the way we work and the way we offer our services has fundamentally changed. Our residents expect, and deserve, easy to access services, and we need to respond in the changing nature of working life to create flexible and modern workspaces where staff can meet, share knowledge and work effectively. In consideration of this our Property and Asset Management team have developed proposals to rationalise the office estate.

The main office facilities used are across Town Hall, Greyfriars House, Novus House and Catalyst. Across the estate we have a current total of 287 desk spaces for 385 employees across the location (including GYN).

To understand the way we use our spaces a desk survey was undertaken during October 2022 which identified that desk usage ranged between 43 - 64% depending

on the working day, Mondays being the lowest use and Thursday being the highest usage days. Overall we have around 36% more desk space than we need ie. 103 desk spaces.

Housing areas offices have been considered and can be accommodated as part of this transformation however Wherry Way which is also used as office space has not been considered in this review.

1. Proposal

The initial work considered options around which buildings would be beneficial to vacate and the positive and negative points for each building are listed below:

Building	Negative	Positive
Town Hall	<p>Costly building to maintain, ongoing stonework repairs will be needed in the coming years.</p> <p>Large areas of circulation space do not make best use of the footprint.</p> <p>Difficult to create appropriate interview facilities</p>	<p>Civic hub used for all Council, Cabinet and Committee meetings plus as an events venue.</p> <p>Centrally located and known by customers as being the Town Hall, civic pride in the building.</p> <p>Likely onward uses are limited, in planning terms development opportunities could exist these would be challenging and likely have a viability gap.</p> <p>Although identified as 111 desks in the audit the top floor is predominantly used as storage and was previously used as desk space and could accommodate an additional 18 desks bring the total in the Town Hall to 129. Circulation space could accommodate pod facilities for additional 1:1 and customer interview space. It also improves the events experience in the building.</p>
Greyfriars House	<p>This building works well for office space but has potential for residential accommodation or other alternative uses.</p> <p>Building requires capital works to the roof and exterior if we remain.</p> <p>Offers the disposal of one of the larger more costly buildings occupied by staff</p>	<p>Main reception facilities for Housing and Customer Services clients.</p> <p>Bespoke interview facilities to provide a safe working space for officers meeting with customers</p> <p>Largely open plan spaces work well for office use.</p> <p>Unable to be made fully accessible (staff accommodation)</p>

	(these being Town Hall and Greyfriars House). The building in several areas lacks natural light, has low ceilings and unusual room shapes. Could be utilised by Partner organisations for large scale customer services ie. DWP who require 50 desk spaces for public customers to access.	
Novus and Catalyst	Limited alternative use.	Redeveloped as office space relatively recently early 2000's to provide staff accommodation and business incubator space. Rooms in Catalyst are modular so can be configured as open or cellular offices. Easy parking in the Town Centre with good connections to other services in the Town makes this site appear preferable for customer facing activities. But resident engagement on how this will work is required

Staff across all departments have been engaged in the process, as well as feedback that has been provided as part of the most recent staff surveys.

This exercise will form part of a wider transformation agenda, that will develop over time. This will further improve how our customers can interact with services including improving processes for booking appointments to reduce customer drop in requirements, and centralisation of customer facing activities.

Additional meeting space would be required with increased office usage. A peer-to-peer research with other councils has identified options around pod facilities to provide additional private meeting space or quiet space for staff to utilise.

Co-location options with other stakeholders is an important part of our working rationale as is the need for training facilities for new initiatives such as Project Search.

Office Accommodation Proposals - Customer Service Delivery

Our Reception facilities need to accommodate the requirements for drop in services particular in relation to housing facilities with the ability to increase the existing model of moving to a booking system for a range of appointments improving our customers' experience. Locations of reception facilities has been considered and can be

accommodated most effectively at Novus House which is closer to the town centre for housing services and bookable services being located at the Town Hall. It also means customers can visit the Town Centre and engage with multiple services in one small area.

Area Housing Offices could also be considered at part of the rationalisation with one or both of the area offices being located within the Administration hub at Novus House.

2. Impact / Next Steps

The overall recommendation is the closure of one building and rationalisation of services to improve customer experience, modernise our working environment, make best use of our buildings as well as reduce overheads and create savings. As with any change of this type this will involve cost to facilitate, including organisational change management but overall represents an invest to save opportunity and a revenue saving in future years.

Significant areas of the current office accommodation are set aside for storage / filing. Consideration has been given to how in the model the amount of storage / filing can be reduced.

3. Financial Implications

This proposal identifies Greyfriars House as the surplus property. A valuation report has been completed considering options for alternative use, at this time these are not factored into this report.

There are several financial implications in the plans submitted with this report and these include building modifications, storage facilities, interview pods, reception facilities, removal costs, soft furnishings (Assembly Room), project management fees. These potential costs and savings in some cases have been estimated and would be subject to tender / confirmation.

Costs description	£
Improved file storage	7,500
Building works to improvement reception facilities and open plan working arrangements	35,656
Additional meeting space (pods) in the Town Hall	49,000
Moving and repairs and maintenance costs	20,000
Desk Booking Software one-off charge £1,500 then pa. charge	7,500
IT Costs	50,000
Project costs @15%	27,345
Contingency @ 15%	27,345
Total	224,346

It is recommended that the capital budgeted is funded by borrowing within the capital programme in 2023/24.

Savings / Income	£
Operation costs of Greyfriars House	(114,593)
Rationalisation of officer services	(70,000)
Income from external stakeholder utilising remaining office space	(30,000)
Total savings	(214,593)

The first years saving it is anticipated would need to be utilised for the required alterations however over a 10 year period the suggested options within this report identify a £2.2m saving for the organisation.

The above savings relate to the council moving out of Greyfriars House and relocating area office services to the main site.

It is anticipated that Greyfriars House could be utilised for either existing use as office space or as alternative use residential. The building could be converted to residential use.

The 2023/24 budget assumed a saving proposal from a review of building occupancy and factored in savings to be achieved of £70,000 in 2023/24 increasing to £272,000 in 2024/25. This proposal will deliver a significant share of this savings target.

4. Risk Implications

Costs in some areas for this proposal have been estimated, it will be necessary to undertake a detailed proposal for full tender.

The desk ratio to facilitate these proposals equates to a 5/10 average and will require teams to adjust to a more flexible agile working process. A desk booking system will be required to ensure that staff have an allocated desk to use on their chosen office working days.

Cost savings are not realised in a timely manner – alternative uses / disposal of Greyfriars House is not achieved. Some costs of maintaining an empty building will remain however these costs will be significantly reduced to those of occupation but to minimise this position it is recommended that alternative uses are investigated as early as possible.

5. Legal Implications

None currently.

6. Conclusion and next steps

The proposal would be to vacate Greyfriars House moving services to the Town Hall and Novus House with area offices being closed and co-located with housing services in Novus House.

7. Background Papers

Officer Working Group Templates, minutes, plans