

# North Somerset Council

## Report to the PCOM Policy and Scrutiny Panel

**Date of Meeting: 3<sup>rd</sup> March 2022**

**Subject of Report: Accommodation Strategy**

**Town or Parish: All**

**Officer/Member Presenting: Amy Webb, Director of Corporate Services**

**Key Decision: N/A**

**Reason: N/A**

### Recommendations

That the Panel receive and consider the contents of the report.

#### 1. Summary of Report

The report provides the PCOM Policy and Scrutiny Panel with an update on delivering the Accommodation Strategy, which was approved by Council on 23 February 2021 and an update in relation to:

- The Programme
- Key decisions and timeline
- Financial implications and the budget position

#### 2. Policy

This project supports the aims and objective within the Council's Corporate Plan, Economic Plan, Climate Emergency Plan, Medium Term Financial Plan and Capital Strategy.

#### 3. Background

##### Council decisions

In February 2021, the Council agreed to:

- The adoption of the following corporate strategies:
  - Strategic Asset Management & Property Plan (SAMPP)
  - Accommodation Strategy (AS)
  - Development Strategy (DS)
- Feasibility and Business Cases proceed, in relation to the recommendations arising from these strategies
- The allocation of capital funding to progress these strategies
- To deliver in accordance with the key timelines of June 21, October 21 and March 22 and utilise the findings of the business cases to inform the Council's 5-year Capital Programme

#### Accommodation Strategy overview

- NSC undertook an organisation-wide Office Amalgamation Programme and an ICT Transformation Programme between 2007 – 2012
- This programme improved desk ratios from 1:1 to 7:10 (based on 1200 staff = 840 workstations)
- Since this programme, overall staff numbers across NSC have reduced from c.1800 to c.1400 and this will have impacted on office space requirements
- COVID-19 has increased the amount of flexible working and there is a clear acceptance from managers and staff to maintain a flexible working model into the future

In February 2021, the Council agreed to the progression with the accommodation strategy in order to find the optimum flexible working model which takes in to account the following drivers:

- Reduced staff travel linked to our climate change ambition
- Improved work: life balance due to reduced commutes
- Improved productivity
- Opportunity to reduce our asset base in line with our Medium Term Financial Planning (MTFP)

The Council acknowledged that this work could lead to the closure of Castlewood, but this was not a primary driver.

#### **4. Update / Progress to date**

##### **The Programme**

The governance and joint sponsorship for the programme has been agreed with Amy Webb, Director of Corporate Services and Lucy Shomali, Director of Place. A Programme Board (monthly) and a Project Board (2 weeks) has been set up and meetings are happening. The programme organisation is captured at Appendix 1.

The Council's Accommodation Strategy has identified three workstreams which are:

##### **Workstream 1: Re-imagine ways of working and invest in Town Hall**

- o Retention of the Town Hall as the primary office location and culture heart of the Council, but with a recognised need to invest in the building to support new ways of working

##### **Workstream 2: Castlewood transition**

- o A phased transition from Castlewood

##### **Workstream 3: Touch-down locations**

- o Identification and validation of touch-down locations beyond the Town Hall required to support the provision of council services in communities across North Somerset

The focus has been on developing the next phase, which is to progress the detailed design and delivery of the reconfiguration of the New Town Hall site at Weston.

##### **Workstream updates**

##### **Workstream1: Reimagine ways of working and invest in the Town Hall**

The focus has been building on the "test fit designs" and high-level business and the customer (NSC) requirements captured by Arcadis in October 2021 to progress to the next stage of the detailed design and delivery of the reconfiguration of the New Town Hall site at Weston. The work to gather detailed business and customer requirements is being progressed and will be finalised to support the design.

##### **Members Requirements (Group rooms)**

It is important to understand the requirements for Group rooms, prior to a decision being reached on the option to retain these or if they can be removed and the space to be used collaboratively.

Early discussions with CLT had been inconclusive about Group rooms. Members of the PCOM Scrutiny considered and discussed Group rooms (November 2021) and the option / need to retain these in the Town Hall and it was concluded that there was support of removing them and ensuring that space is used collaboratively.

A survey was sent to all NSC councillors, as agreed at the Informal Exec meeting (December 2021) to understand the need for member specific space to make sure there has been an opportunity to inform the final decision, which will be made by Informal Exec. The date for responses has been extended by a week and closes on 23 February 2022.

### **Partners and Tenants**

Partner and Tenants (based in the Town Hall and Castlewood) were not included in the numbers for the space planning and these requirements will be needed as part of the design stage. The Ways of Working Group are leading the work to understand their needs and future space requirements and plans. The agreed date for this data to be provided is 9 March 2022.

### **Project Initiation Document**

A Project Initiation Document (PID) has been created and defines the brief, scope and associated programme to deliver Workstream 1: New ways of working and the investment works in the Weston Town Hall site, including the relocation of staff, partners and tenants from Castlewood.

The PID will be a key resource for Inner Circle Consulting (ICC) who have been commissioned to finalise the client brief and cost plan so that a procurement route and tender exercise can be completed at pace, to appoint the multi-disciplinary professional design team and the works contractor to deliver this project.

A list of backlog maintenance of both Town Hall sites, dating back to February 2019 has been updated to reflect the current position. The works captured on this list are not currently planned or budgeted for and have been categorised in order of priority based on legal / health and safety compliance and relate to key actions identified in NSC's Climate Emergency Action Plan which will help towards the Council's aspiration to net zero carbon council by 2030. The areas requiring priority works to be considered in line with Town Hall reconfiguration works have been captured. The recommendations based on the PID is to be provided to Programme Board (CLT) for decisions and approvals on the scope and level of the works.

An Equality Impact Assessment (EIA) is being completed for this workstream and will be subject to the agreed approval process.

### **Workstream 2: Castlewood transition**

A summary of the Strategic Outline Case (SOC) for the potential development of the Council's Clevedon office (Castlewood) was presented at the scrutiny session for all members (17 January 2022) ahead of a formal Council meeting.

The Strategic Outline Case documentation was published for consideration at the Full Council meeting (15 February 2022). No decision was reached to transition from Castlewood as not all members had been able to read the exempt appendix. The Council

agreed a recommendation to commission the production of a detailed options analysis, preferred option and an associated development and delivery strategy that would include a recommendation to transition out of the building, and for this to return to Council. This is anticipated to be the 10 May 2022.

Following the decision at Full Council (15 February) on the future of Castlewood, work has been commissioned for the customer services strategy to be the vehicle to resolve physical access issues in Clevedon ahead of the revised paper in May 2022. An update will be provided at the Customer Strategy Engagement Scrutiny session (17 March 2022).

### **Managing the use of energy in Castlewood**

A project is underway to understand measures that could be implemented to reduce the usage of energy in the building since it is so underutilised. For energy and building management system purposes, there are three vertical zones (A, B and C) that cut through each of the three floors. This means that it is not straightforward to just turn off energy in a zone on only one floor. The project is not yet complete, but the interim conclusions are as follows.

It is not possible to switch off Zone A because:

- There are no toilets or access to a lift on any floor
- The ground floor has the main entrance to the building
- Job Centre space is on the ground floor and needs to be accessed from the main entrance
- It has the main server room which cannot be moved without significant disruption to the council's IT system delivery

There may be scope to close parts of Zones B and C subject to:

- Physical works to further subdivide the zones so that an area could be mothballed
- Renegotiation of current arrangements with tenants to relocate them
- Detailed examination of Fire safety, ICT considerations, access/security modifications, worker to toilet and worker to lift floor occupancy ratios
- Working through accessibility implications in relation to the Equality Act access

The costs of these works and the impact on income from tenants are being estimated so that they can be compared with the energy savings. This will represent the business case for making an investment. Any plans for mothballing the building will only go ahead if the decision is reached to close Castlewood and therefore will be subject to decision by full Council, now due in May 2022.

Smaller interventions that would require investment include reconsidering cold-water storage and cooling and air handling management controls.

Subject to a clarification of government guidance on office ventilation, there would be an immediate saving without investment to be had from reducing the hours of operation of the buildings ventilation system to pre-pandemic levels.

### **Workstream 3: Touch-down locations**

Work needs to be progressed over the next period on the Touchdown locations scope and brief to determine the need for these and the priority of this work. Decisions are also needed on if this work is critical in respect of the programme and timeline. This will be provided to the Programme Sponsors and the Programme Board for decision and approval.

## Key decisions and timelines

An indicative programme (phased approach) and a critical path, based on reconfiguration work has been produced. The phased approach will be further defined by the Design Team.

The programme and milestones are subject to the decisions being reached on the Repairs and Maintenance (R&M) backlog work to be undertaken (based on priority and compliance) and the extent of these works, as this will impact on the overall programme, dates and delivery.

Key Milestones (indicative)	Timescale
Agree brief for Town Hall reconfiguration works	February 2022
Professional Team – procure and appoint	March - April 2022
Works Contractor Procurement	April – June 2022
Design Period and Approval	April – May 2022
Departmental Sign-Off	June 2022
Place furniture order (8-12 weeks lead time)	June 2022
Contractor appointment	July 2022
Phase 1 Works (6 weeks)	*August – September 2022
Phase 1 Moves – Relocation complete	*September 2022
Phase 2 Works (6 weeks)	*September - October 2022
Phase 2 Moves – Relocation complete	*October 2022
Phase 3 Works (6 weeks)	*October – November 2022
Phase 3 Moves – Relocation Complete	*December 2022

\*These phases and dates are subject to any decisions to complete the R&M backlog maintenance works being undertaken.

Work is underway with the Procurement team to understand and consider the strategy and the procurement thresholds that need to be applied.

A clear programme will be agreed for enabling activities (IT, staff, declutter and decant) which will run concurrently within the above overall programme. The key milestones for each of these will be added in once further defined.

## Links to Other Work / Projects

There are a number of NSC projects that are linked to the Accommodation Strategy programme and these considerations and dependencies have been and will continue to be identified. The Programme team will work with colleagues / officers to align with these, including the Council's Customer Service Strategy, Digital Strategy and Traffic and Parking Strategy.

## Climate Change and Environmental

The programme team are working closely with colleagues to make sure we are joined up to support the Council's ambition to be a net zero carbon council by 2030 and are working with the Waste Team and the Sustainable Travel teams to ensure:

- The principle of repair, reuse, reduce and recycle will be used for any future, fittings and equipment (FFE)

- Any surplus furniture can be re-purposed in a way that benefits the local community.
- The energy efficiency of the Town Hall is assessed and for any changes needed to be considered as part of the design and investment works
- The Green Travel Plan objectives are considered and incorporated (reflected) within the programme

## **5. Consultation / Comms and Engagement**

A comms and engagement strategy and plan has been developed, with the key messages and activity developed to provide regular, timely and relevant updates. This will be reviewed and updated as required during the duration of the programme. Regular consultation and engagement with key stakeholders are reflected in the comms and engagement plan. This will serve as a guide for communications throughout the life of the project, updated as required.

## **6. Financial Implications**

A budget of £1 million pounds for the programme has been committed (revenue and capital expenditure). The initial costings, based on the indicative cost plan for reconfiguration of Town Hall, the Town Hall Repairs and Maintenance (R&M) backlog and ICT equipment suggested the initial budget was insufficient.

An additional £1m in the capital programme for 22-23 was requested and approved on 15 February 2022, however this revised budget envelope is potentially challenging and will be a constraint.

The Medium Term Financial Plan does not currently assume any revenue savings as a result of changes to the council's Estate. Savings opportunities will be captured at the point at which formal decisions are taken about the future of Castlewood.

## **7. Legal Powers and Implications**

N/A

## **8. Climate Change and Environmental Implications**

Engagement with the council's Climate Emergency Project Manager in the delivery of the Accommodation Strategy, including the development of the business cases and new ways of working will continue to ensure that it aligns with the Climate Emergency Action Plan.

## **9. Risk Management**

A risk register has been developed and will be updated as part of the programme. Risks will be captured and fully assessed and managed by the Working Group leads with oversight from the CLT Programme Board.

Project risks and issues plus any mitigating actions will be logged on the risk / issue log. Risks and issues will be prioritised for resolution weekly, based on their impact and probability ratings. Where standard escalation procedure is insufficient, the Lead / Programme Manager will escalate the risk / issue directly with the Programme Sponsor.

## **10. Equality Implications**

Equality Impact Assessments will be completed for relevant components of the Accommodation Strategy.

## 11. Corporate Implications

The Accommodation Strategy has been developed within the overarching priorities contained within the Corporate Plan and the emerging priorities from 2038 Local Plan.

## 12. Options Considered

N/A

### Author:

Amy Webb, Director of Corporate Services

### Appendices:

Appendix 1: Accommodation Strategy Programme Organisation – January 2022

### Background Papers:

Accommodation Strategy – COU 168 Council 23<sup>rd</sup> February 2021

Accommodation Strategy Update – Strategic Outline Business Case: The future of Castlewood – COU 15<sup>th</sup> February 2022

## Appendix 1: Accommodation Strategy Programme Organisation – January 2022

Accommodation Strategy Programme Organisation – January 2022

Programme Sponsors: Amy Webb and Lucy Shomali

