

Leicester
City Council

**WARDS AFFECTED
ALL WARDS**

CABINET

16 AUGUST 2004

REVIEW OF CENTRALLY LOCATED ADMINISTRATIVE BUILDINGS

**Report of the Service Director (Property) Corporate Property Officer,
Resources, Access and Diversity**

1. Purpose of Report

1.1 This report is to inform Cabinet of the progress to date with regard to the Review currently being undertaken of centrally located administrative buildings (CLABs), this review being a part of the wider Property Efficiency Review.

2. Summary

2.1 Accommodation is a key resource that has a direct impact on service delivery. It affects staff morale, recruitment and retention, the efficiency of working within the organisation, the public interface and occupation costs.

2.2 The review is being undertaken for a number of reasons:-

- By way of an accommodation audit, to assess the quality and efficiency of the working environment.
- To identify wasteful or costly accommodation.
- To respond to external influences principally from recent and emerging legislation such as the Children's Federation, e-government, disabled access and other changes that may arise in respect of how services are to be delivered.

2.3 The review collected and analysed data in respect of the following buildings which comprise the CLAB's.

New Walk Centre
1-5 Greyfriars
Conway Building
New Street
St. Martins
16 New Walk

Eagle House
Marlborough House
Sovereign House
Collegiate House and annexe
The Rowans
Welford House

(The Town Hall has been excluded from detailed consideration because of the relocation of the Registry Office. Nevertheless it does feature within the proposals for meeting room provision).

2.4 From this analysis there are a number of options emerging which will be presented to Cabinet at its meeting on 27 September and the agreed way forward will form the basis of the Council's CLAB's accommodation strategy. The strategy will be reviewed periodically enabling appropriate modification to reflect and respond to change.

2.5 It is already apparent that there are a number of issues to address and these are referred to in greater detail in the supporting information to this report. The most significant concern:-

- New Walk Centre – its structural condition and, if retained the cost of repairs and a phased refurbishment of obsolete and failing services. The option of moving to a new-build Headquarters on another site will be appraised.
- 1-5 Greyfriars – its possible retention and the consequential cost of refurbishment.
- Welford House – cost of dilapidations if the Council vacates; cost of refurbishment if the Council decides to retain and renew the lease in 2008.
- Marlborough House – its structural condition and the cost of repairs and refurbishment.
- Provision of meeting rooms, training rooms and works necessary to meet the requirements under the Disability Discrimination Act 1995.

3. Recommendations

It is recommended that:-

3.1 Elected Members are asked to note and comment on this report.

3.2 To request a further report for the end of September 2004 to include:-

- additional information where necessary.
- financial implications
- timetable for implementation

3. Financial and legal Implications

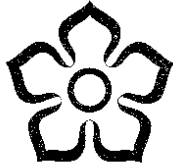
No implications arise from this report. The implications will be set out in the further report proposed for the Cabinet meeting on the 27 September 2004.

4. Officer to contact:

Lynn Cave
Service Director (Property) Corporate Property Officer
Resources, Access and Diversity

DECISION STATUS

| | |
|--------------------------------------|---------------------|
| Key Decision | No |
| Reason | N/A |
| Appeared in Forward Plan | No |
| Executive or Council Decision | Executive (Cabinet) |



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SUPPORTING INFORMATION

1. Report

- 1.1.1 The current CLABs portfolio has developed over a number of years. The last major changes and additions were as a result of the 1997 Local Government re-organisation when the City Council took responsibility for a number of major services previously administered by the County Council.
- 1.1.2 The Review, as part of the wider Property Efficiency Review, has highlighted a number of concerns with regard to the age and condition of some of the CLABs which are hampering service delivery; are not fully accessible to people with disabilities; are not efficient in their maintenance and consequently are not entirely fit for purpose.
- 1.1.3 The final recommendations of the Review will be brought to 27 September 2004 Cabinet.

2. Corporate Accommodation Group

- 2.1 The Review is being managed by a group of officers representing each of the Departments in the City Council. They already have in some way responsibility for accommodation in their day to day role as managers.
- 2.2 The group meets every two weeks and is working to the Project Brief which was agreed in April 2004, the main points are as follows:-
- To determine if buildings are fit for purpose
 - Obtain an agreement on a corporate space standard for each CLAB
 - To produce a timetable proposal for CLABs
 - To ascertain the financial viability of CLABs having regard to anticipated future maintenance and legislative requirements

- Consider the cost comparisons of CLABs against new build
- Discussions with Trade Unions
- To oversee implementation of proposals

2.3 The Group reports into the Strategic Resources Group (SRG) and the Cabinet Sub-Group established for the three Efficiency Reviews, Property, Procurement and Transport.

2.4 The Group has worked hard since April 2004, by obtaining supporting evidence which will form the final recommendations to Cabinet in September 2004.

3. Objectives

3.1 The main objectives of the Review are:-

3.1.1 To improve service delivery to the public from all CLABs by undertaking an audit of the current usage, and to recommend their continuing inclusion or to consider disposal. These decisions and recommendations will only be put forward after option appraisals have taken place.

3.1.2 A number of the buildings require extensive investment in their infrastructure and also services such as heating and ventilation. It is therefore intended to consider the viability of these buildings and whether it would be more cost effective to either lease, purchase or build alternatives.

3.1.3 Most of the buildings have been in the ownership of the City Council for many years. Others came into ownership in 1997 with Local Government Reorganisation. The audit currently being undertaken will identify those buildings which are not fit for purpose, will require substantial investment in their infrastructure and also to conform to the Disability and Discrimination Act 1995. This Act has come into force gradually and the final rights of access will come into force on 1 October 2004. At this time service providers will have to consider making reasonable adjustments to the physical features of buildings to overcome physical barriers to access.

3.1.4 If a building is identified as being surplus to requirements consideration should be given to either its disposal to realise a capital asset or transfer it into the non-operational property portfolio.

4. Other Factors

4.1 A number of issues are driving the change with regard to how and where services are delivered. These are predominantly changes planned to the Social Care & Health Department by the creation of a Children's Federation which will bring together a number of children services currently provided by the Social Care & Health and Education & Lifelong Learning Departments.

4.2 The NHS Local Improvement Finance Trust (LIFT) is a project which will see many of the current services provided by Social Care & Health being delivered from a number of health centres strategically placed around the City. When this has taken place it will have a major impact on CLABs.

- 4.3 Increasingly e-Government is changing the way staff work and the shape of how the public access Council services. Whilst this Review is attempting to anticipate change, there is no doubt that as e-Government escalates, changes will need to be implemented around CLABs.

5. Issues Being Considered

- 5.1 The Review is developing a strategy for the occupation of premises which will take the City Council forward for the next 5-10 years. Known growth and also contraction is being built into the recommendations, however where property issues are involved there is no quick fix remedy.

- 5.2 Consideration is being given to the many concerns with a number of buildings which are included in the Review. Following are a number of examples:-

5.2.1 New Walk Centre

The condition of the structure is being investigated and a specification for refurbishment is currently being costed. New Walk Centre was built some 30 years ago and has been intensively used throughout this period. Consequently, many elements of the building such as the toilets, lifts, heating and ventilation units, together with the external fabric, surface finishes and decorations all require upgrading or renewal. The option of moving to a new-build Headquarters on another site will be appraised. The details in respect of these issues will be reported to Cabinet in September 2004.

5.2.2 1-5 Greyfriars

If this property is retained, a number of major improvements will need to be considered. They are:-

- a new passenger lift
- refurbishment to toilets and kitchenettes
- improvements to the IT infrastructure and phones.

5.2.3 Welford House

This is a leased building and the lease is renewable in 2008. Major problems exist with this building i.e.

- a new heating/ventilation system is required.
- the building is of poor design and requires returning to open plan.
- the ground floor could accommodate a new customer service centre but at considerable cost, estimated at £1.1million.

5.2.4 Marlborough House

This building is currently occupied by the Education & Lifelong Learning Department. We are awaiting the outcome of a structural survey which was requested after substantial movement in the building was identified and cracks became evident in the floors.

The lifts in this building are at the end of their working life and need to be inspected daily for safety reasons.

5.2.5 Eagle House, Sovereign House and 16 New Walk have no known major defects.

5.2.6 The remainder, listed under 2.3 in the Summary Report, will require major refurbishment. It is unlikely that they will conform to the new DDA legislation. They are Victorian in design and cannot be made into open plan accommodation. Because any major works required would not be cost effective these buildings are being considered for disposal.

6. Working Environment

6.1 Nationally, changes in the way staff work are leading employers to consider the introduction of more home working which will, over time, reduce the amount of office space required.

6.1 'Hot desking' and remote working is likely to be encouraged, where it is identified that staff spend the majority of their working time away from the office leading to a lower space requirement.

6.2 Corporate Britain is now almost totally open plan – the flexibility, space use efficiency and attractiveness of open plan is now widely recognised. Like many other local authorities, Leicester still has the inefficient cellular layout in many areas. Consequently, where possible, walls are to be removed to create open plan offices with break-out areas, with tables, chairs/sofas. This approach will increase space, allow staff to communicate more effectively, and help retain the motivation of the staff.

7. Location of Administrative Buildings

7.1 It is important that the location of our buildings is considered when decisions are being taken in this Review. Many people travel by bus, or are undertaking other business in the central area, and convenience is a major factor as to how the public access our services.

7.2 The buildings should be of good design, easy to access and be accessible for people with disabilities.

8. Meeting Room Provision

8.1 The current situation is that there is a lack of suitable rooms for meetings, many take place in the Training Centre on the 7th Floor in A Block, New Walk Centre, other meetings are held in rooms which are either too large, or inappropriate.

8.2 The Corporate Accommodation Group is to analyse the current use of rooms, and is to suggest ways of improving this facility. Under consideration are such things as:-

- Small meeting areas on each floor of New Walk Centre
- Better utilisation of the Committee Rooms on the Ground Floor of B Block New Walk Centre
- A range of rooms on the Second Floor of the Town Hall, which would make good use of this valuable space, and allow a mixture of size rooms.

9. Training Provision

9.1 Currently training takes place in a number of buildings across the City Centre, this can be from a small room of limited use, to the facilities on A7 New Walk Centre which was created in 1997 as a central training centre.

9.2 Better utilisation could be made of the space set aside for training if a facility could be provided to replace the following:-

- New Walk Centre A7
- 16 New Walk
- Welford House
- Evington Park
- Greyfriars
- New Walk Centre B1

9.3 A number of options are being considered by the Corporate Accommodation Group.

- Allow the existing training facilities to continue as at present
- To concentrate training onto A7 New Walk Centre, with IT training being undertaken in a few locations in Departments.
- To develop a training centre in a building in Chancery Street which is owned by the City Council. The building is approx 10,000 sq ft on 4 floors, all serviced by a lift. It could be open plan with sound/baffle boards used to divide the space into separate areas. The building could also include a number of dedicated IT training rooms to accommodate the specific needs of Social Care & Health and Housing Benefits and Local Taxation. Other Council IT training could also be undertaken at Chancery Street.

10. Recommendations

These are set out in the Summary report.

FINANCIAL, LEGAL AND OTHER IMPLICATIONS

1. Financial and Legal Implications

No implications arise from this report. The detailed implications will be set out in the further report proposed for the Cabinet meeting on the 27 September 2004.

2. Other Implications

| OTHER IMPLICATIONS | YES/NO | Paragraph Within Supporting information | References |
|-------------------------------|--------|---|------------|
| Equal Opportunities | Yes | 3.1.3 | |
| Policy | No | | |
| Sustainable and Environmental | No | | |
| Crime and Disorder | No | | |
| Human Rights Act | No | | |
| Elderly/People on Low Income | Yes | 4.2; 7.1 | |

3. Background Papers – Local Government Act 1972

None.

4. Consultations

Corporate Accommodation Group.

5. Officer to contact:

Lynn Cave
Service Director (Property) Corporate Property Officer
Resources, Access and Diversity