

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 12 October 2015

Portfolio:	Policy and Resources
Subject:	Lease of Part of the Civic Offices to Hampshire Constabulary and Ancillary Works
Report of:	Director of Finance and Resources
Strategy/Policy:	Asset Management Plan
Corporate Objective:	A dynamic, prudent and progressive Council

Purpose:

To obtain the Executive's approval to the heads of terms provisionally agreed with Hampshire Constabulary to occupy part of a floor within the Civic Offices and the ancillary works that are required to achieve this objective.

Executive summary:

The Council has been in discussions with Hampshire Constabulary to occupy vacant space in the Civic Offices as a base for neighbourhood policing. This will have advantages to the Council as it will build on the leases granted to the Wessex Youth Offending and Integrated Offender Management teams and will secure an additional public sector organisation to occupy space in the Civic Offices. The rent and service charge paid by Hampshire Police will help offset the running costs of the building. Confidential Appendix A to this report sets out the heads of terms provisionally agreed with Hampshire Police for the approval of the Executive.

To facilitate the occupation of Hampshire Constabulary, ancillary works as shown on the drawing attached as Appendix B, together with the other works set out in paragraph 6 of the briefing paper will have to be undertaken. The cost of the works directly required by Hampshire Constabulary will be funded by them, together with a contribution towards the other works proposed for the Civic Offices.

Recommendations:

That the Executive:

- (a) approves the heads of terms provisionally agreed with Hampshire Constabulary; and
- (b) delegates authority to the Director of Finance and Resources, in consultation with the Executive Leader, to agree final terms, if required.

Reason:

To obtain approval to the heads of terms provisionally agreed with Hampshire Constabulary for the lease of accommodation within the Civic Offices.

Cost of proposals:

The Council is estimated to receive rent and service charge, from Hampshire Constabulary, as set out in the confidential Appendix A. Confidential Appendix C includes details of the capital contribution and costs for works required by Hampshire Police.

Appendices:

Appendix A: Confidential Executive Briefing Paper detailing Heads of Terms provisionally agreed with Hampshire Constabulary (Exempt By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

Appendix B: Drawing showing draft layout of the space to be leased by Hampshire Constabulary

Appendix C: Confidential briefing paper setting out the Cost of Works and Capital Contribution from Hampshire Constabulary.

Background papers: None

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Executive Briefing Paper

Date: 12 October 2015

Subject: Lease of Part of the Civic Offices to Hampshire Constabulary and Ancillary Works

Briefing by: Director of Finance and Resources

Portfolio: Policy and Resources

INTRODUCTION

1. The Council has been in discussions with Hampshire Constabulary who expressed interest in leasing accommodation in the Civic Offices as a base for neighbourhood policing. The neighbourhood teams comprise warranted officers and PCSO's (Police Community Support Officers) in addition to some specials. The PCSO's are at the forefront of raising awareness of criminal behaviour, working with the community in ventures such as neighbourhood watch and providing the day to day interface and reassurance to the community. The neighbourhood teams are primarily focused on working with the community and undertaking patrols, but can and will be deployed to 999 calls etc. on occasions.
2. The proposed lease will have advantages to the Council as it will secure another public sector organisation to occupy space in the Civic Offices alongside the Wessex Youth Offending Team and Integrated Offender Management. This will generate an additional income stream to offset the running costs of the building and will make a significant contribution to the Council's Efficiency Plans. The Police occupying space within the building will also achieve the objective included in the Council's Asset Management Plan to efficiently use the Council's operational property in terms of running costs. It will also facilitate collaboration between public bodies in order that public assets can be used more effectively by co-location.
3. Hampshire Constabulary are aiming to move into the Civic Offices in February 2016, which means that there is limited time available to allow this deadline to be achieved.
4. The works required by Hampshire Constabulary provide an opportunity to undertake some additional maintenance works to the Civic Offices, by minimising disruption and being procured as part of a larger contract. The proposed works form part of the Civic Offices capital works programme.

PROVISIONAL HEADS OF TERMS AGREED WITH HAMPSHIRE POLICE

5. The confidential Appendix A sets out for the approval of the Executive, the provisional heads of terms for the lease agreed with Hampshire Constabulary. Appendix A also

includes the rent and service charge to be paid. The floor area to be leased is approximately 3,000 sq. ft. (279m²) as shown for identification purposes on the drawing attached as Appendix B. The terms at this stage are still provisional and could be amended before the lease is completed. Therefore the Executive is requested, if it proves necessary, to delegate approval of the final terms to the Director of Finance and Resources in consultation with the Executive Leader.

WORKS REQUIRED BY HAMPSHIRE POLICE

6. To facilitate the occupation by Hampshire Constabulary the works as shown on the drawing attached as Appendix B will have to be undertaken. The cost of these works will be met by Hampshire Constabulary.
7. There are other ancillary works required to enable the occupation by the Police, which are included in the programme of works elsewhere on this agenda. These include:
 - (a) Phase 2 of the works in the basement of the Civic Offices to create additional cycle storage, lockers and showers.
 - (b) Creation of a new entrance and exit to the Civic Offices, which can be used at all times.
 - (c) Relocate the employee rest area on floor 9 to the ground floor.
 - (d) Implementation of a new access control system throughout the Civic Offices, including the replacement of doors.
 - (e) The installation of a new intruder alarm system, which will allow the Police to use the space they occupy; whilst continuing to protect the rest of the Civic Offices when it is not occupied, outside of normal working hours.
8. As these ancillary works are being undertaken to enable the co-location of the Police, they have agreed to make a contribution to these works. Details of this contribution are set out in the draft heads of terms in Appendix A.

CONTRACT AWARD

9. Building Services is using the Hampshire IESE LCF framework agreement to undertake a mini-competition to obtain prices for the work required by Hampshire Constabulary and the other proposed works. Due to the short timeline, the Executive are asked to approve a budget to undertake the works and delegate authority, for the award of the contract, to the Director of Finance and Resources in consultation with the Executive Leader. The details of the additional works and associated costs are discussed elsewhere on this agenda.

FINANCIAL IMPLICATIONS

10. The Council will receive an estimated rent and service charge as set out in the confidential Appendix A from Hampshire Constabulary. Over the period of the lease, subject to the break clauses not being exercised and increases in the rent and service charge, the letting of this space to Hampshire Constabulary could give rise to income in excess of £500,000, which will offset the running costs of the Civic Offices and make a significant contribution to the Council's Efficiency Plans.
11. The total cost of all the construction work proposals, required for the Police, as set out in Appendix C, will be paid for with contributions from Hampshire Constabulary but carried

out by Fareham Borough Council. In addition Hampshire Constabulary will contribute a sum of money towards wider Civic Offices works, the details of which are outlined in the heads of terms, as set out in Appendix A.

RISK ASSESSMENT

12. The risks arising from the occupation of the accommodation in the Civic Offices by Hampshire Constabulary e.g. health and safety will be covered in the lease to be granted.

CONCLUSION

13. Terms have been provisionally agreed with Hampshire Constabulary for the lease of accommodation within the Civic Offices. This will have advantages to the Council as it will secure another public sector organisation to occupy space in the Civic Offices and obtain a rent and service charge, which will offset the running costs of the building.

14. The Executive is recommended to approve the provisional heads of terms set out in the confidential Appendix A and grant delegated authority to the Director of Finance and Resources in consultation with the Executive Leader to agree the final terms, including the capital contribution that will be made by the Police.