

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 12 October 2015

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

Purpose:

To obtain approval for works to the Civic Offices and delegated authority for the award of contracts for building works and the purchasing of furniture.

Executive summary:

As part of the periodic inspection of the Civic Offices, it has become apparent that repairs are needed to the roof of the Civic Offices. At the same time a review has been undertaken, of the Civic Offices, to identify whether workspace is being utilised to maximum effect. This exercise has identified that there is a need to provide improved access controls, security, cycle store and shower facilities.

The report also sets out proposals for other changes to the building to make it an attractive building for co-location of other public services.

Recommendations:

That the Executive:

- (a) approves a capital budget of £266,000, to enable the works to be brought forward on the asset management plan and for the improvement works to be completed, as set out in paragraph 6 of the report, to meet the changing needs of the Council;
- (b) delegates authority to the Director of Finance and Resources in consultation with the Executive Leader for the award of the contract in order to allow the works to be progressed as soon as possible; and
- (c) delegates authority to the Director of Finance and Resources, in consultation with the Executive Leader, for the award of the contract for furniture procurement to allow the items needed to be purchased as soon as possible. The new furniture will be purchased with funds.

Reason:

To award the contract for the works required to be undertaken and another contract for the procurement of office furniture, which will allow the Council to utilise the space within the Civic Offices to maximum effect.

Cost of proposals:

A budget of £266,000 is requested to cover the cost of the works, which are not covered by funds from the asset management plan capital programme or contributions from Hampshire Constabulary.

The cost of new furniture will be met from existing budgets.

Appendices:

Appendix A: Confidential details of the costs for the building works

Background papers: None

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Executive Briefing Paper

Date: 12 October 2015

Subject: Works to the Civic Offices

Briefing by: Director of Finance and Resources

Portfolio: Policy and Resources

INTRODUCTION

1. As part of the Council's effective management of assets, a 10-year asset management plan was put in place in 2008, providing for planned maintenance and improvement works to the Civic Offices. The maintenance requirements are kept under review and this report provides an update on elements of the asset management plan, which require work to be brought forward.
2. The report also sets out proposals for other changes to the building, reflecting the changing needs of the Council, in relation to the Civic Offices, and the ability for the work that needs to be undertaken to make it an attractive building for co-location of other public services.

REQUIREMENTS

3. As part of the periodic inspection of the Civic Offices, it has become apparent that repairs are needed to the roof of the Civic Offices. Routine maintenance has been carried out, the age of the existing roof covering is such that a more comprehensive programme of works is required to ensure it remains weather-tight.
4. At the same time a review has been undertaken, of the Civic Offices, to identify whether workspace is being utilised to maximum effect. In recent years the organisation has reduced in size, which has created spare capacity within the building, and this has been successfully leased to other organisations. The size of the Council's workforce has stabilised more recently, but it is clear that the Civic Offices will have capacity for letting into the longer term. For this reason, it is appropriate to consider how the Council makes best use of the space it needs in the Civic Offices as the key "anchor" tenant, and how it can create the best conditions for vacant space to be let to other public sector services.
5. This exercise has identified that there is a need to provide improved access controls and security, in recognition that the Council and other tenants will want to secure their workspaces independently and access them during flexible hours, in line with their business need. The need to provide better cycle store and shower facilities, to support sustainable means of getting to work, has also been identified.

PROPOSED WORKS

6. The work that has been identified to maintain the building and make it an attractive space to rent is shown below.

Asset Management Plan Works

- (a) Works to replace the covering on the roof of the Civic Offices. These works will resolve the existing issues with the roof.
- (b) Some general refurbishment and repair works to the toilets throughout the Civic Offices, to improve their general appearance.

Improvement Works to enable letting of spare capacity in the Civic Offices

- (c) Complete Phase 2 of the works in the basement, of the Civic Offices, to create additional cycle storage, lockers and showers. These facilities will be available for use by the Police, Council employees and the employees of the other tenants within the Civic Offices.
 - (d) Creation of a new entrance and exit to the Civic Offices, which can be used at all times. This is required in order to allow the Police access to the building outside the normal opening hours of the Civic Offices. The additional access will be able to be used by Council employees and elected members and the employees of any other tenants within the Civic Offices.
 - (e) Relocate the employee rest area on floor 9 to the ground floor. These works will be completed to maximise the use of space on the ground floor and provide a more convenient facility for employees and the employees of any tenants, as well as providing more office space for the Council's use.
 - (f) Implementation of a new access control system throughout the Civic Offices, including the replacement of doors. These changes are needed to provide the Police with the security they require, within the building, but also provide the flexibility for potential future tenants if needed.
 - (g) The installation of a new intruder alarm system. The new alarm system will allow separate parts of the Civic Offices to be unarmed. This 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.
 - (h) Works to reconfigure the vacated space on floor 9 for office use, together with works to transform the redundant showers into storage space for facilities.
7. The cost of the works, outlined above, is set out in Appendix A.
8. The Executive will note that capital works are also required to accommodate Hampshire Constabulary within the Civic Offices, see report elsewhere on this agenda. These works will be delivered by Fareham Borough Council in conjunction with the work set out above to minimise the disruption, but will be fully funded by Hampshire Police.

CONTRACT AWARD

9. Building Services are using the Hampshire IESE LCF framework agreement to undertake a mini-competition to obtain process for the work required by Hampshire Constabulary

and the other proposed works. Due to the short timeline, the Executive are asked 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.

FURNITURE

10. As part of the wider programme to bring tenants into the Civic Offices work is underway to rearrange departments are free up an additional floor for potential tenants to occupy. In order to assist with this work it is proposed that the Council review and as appropriate purchase new furniture. A majority of the existing desks and chairs are around 10 years old and in need of replacement. Moving departments around provides the ideal opportunity to replace the furniture, because the old items do not need to be moved at the same time.
11. As part of the Police coming into the Civic Offices, space will need to be cleared of Council employees. This space must be cleared before the end of the year, in order to allow the works to be completed in time.
12. As part of the replacement of the furniture a variety of disposal options will be investigated. Selling the furniture or giving it to other organisations, such as charities, will both be considered before anything is permanently disposed of.
13. Given the time constraints on moving the current employees, it is proposed that the Council look to award a contract, for purchasing furniture, under an existing Hampshire framework. Using an existing framework saves a significant amount of time; whilst also providing assurance of value for money. The Executive are asked to approve a budget of £180,000 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. This will be met from within existing budgets.

FINANCIAL IMPLICATIONS

14. The total cost of the asset management plan works is £219,000, which is already provided for within the asset management plan capital programme. The improvement works amount to £368,000, which will be funded in part from a contribution by Hampshire Constabulary. The net budget required will therefore be £266,000.
15. By carrying out this work, and reorganising the use of space occupied by Council employees, approximately 2 further floors will become available for letting. The revenue potential from the capacity that is created is estimated at £180,000 per annum. The rental income and service charge to be received from tenanted space will be used to replenish the capital works programme and any surplus will be used towards sustaining the Council's revenue budget.
16. The replacement of furniture is proposed to be phased over a number of years to work alongside the wider project, This will result in the costs being distributed across the next two to three financial years and can be contained within existing budgets.

RISK ASSESSMENT

17. There are no significant risks associated with the capital works or furniture procurement.

CONCLUSION

18. As part of the Council's a 10-year asset management plan this report provides an update on elements of the asset management plan, which require work to be brought forward.
19. The report has set out proposals for other changes to the building, reflecting the changing needs of the Council, in relation to the Civic Offices, and the ability for the work that needs to be undertaken to make it an attractive building for co-location of other public services.
20. The Executive are recommended to agree a budget of £266,000 for the cost of the works, which are not covered by the asset management plan capital programme or the contributions from Hampshire Constabulary.
21. The Executive are also recommended to delegate authority for the contract award to the Director of Finance and Resources in consultation with the Executive Leader, in order to allow the works required by Hampshire Police to be completed on schedule.
22. In order to assist with the work to free up additional space for potential tenants, it is proposed that the Council review and as appropriate purchase new furniture. The Executive are asked to delegate authority for the contract award to the Director of Finance and Resources in consultation with the Executive Leader, to allow the replacement furniture to be purchased in coordination with the wider programme of works.