

CABINET

Date of Meeting	Tuesday, 15 th October 2024
Report Subject	Office Rationalisation Programme and County Hall Campus
Cabinet Member	Cabinet Member for Transformation and Assets
Report Author	Corporate Manager - Capital Programme and Assets
Type of Report	Operational

EXECUTIVE SUMMARY

The Corporate Asset Management Plan 2022 – 2027 identifies achievements made to date, including the efficiencies generated under the office rationalisation programme and the demolition of phases 3 and 4 at County Hall.

The Plan also sets out the proposal to move forward with the redevelopment of the County Hall Campus to address the future needs of the Council and provide a range of options and an integrated approach to the assets and organisations on the campus site.

The Corporate Asset Management Plan, the shift towards hybrid working arrangements in the wake of the COVID-19 pandemic, and the backdrop of unprecedented financial challenges for the Council, provide the necessary platform to proceed with the next stage in the office rationalisation programme and the County Hall Campus redevelopment.

This report provides an overview of projected costs associated with this programme of work, highlights anticipated efficiencies and an indication of when these may be realised, and outlines interdependencies.

The report provides a summary of the timing, and phasing, and seeks approval for phase 1 works, noting the costs and efficiencies.

RECOMMENDATIONS

1	That Cabinet consider the contents of the report and provide approval to proceed with Phase 1 of the Office Accommodation and County Hall project.
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REPORT DETAILS

1.00	EXPLAINING THE OFFICE RATIONALISATION PROGRAMME AND COUNTY HALL CAMPUS REDEVELOPMENT
1.01	<p>The 'refreshed' Corporate Asset Management Plan 2022 – 2027, containing the Council's medium-term strategy for managing its assets, was approved by Cabinet at its meeting in October 2022.</p> <p>The Plan outlines the achievements made to date under the former Asset Management Plan. This includes the progress of the office rationalisation programme in reducing occupied space in County Hall by 50%, the demolition of phases 3 and 4 at County Hall, and the move of employees to the refurbished office in Ewloe, creating efficiencies in building costs, utilities, maintenance, and rateable value.</p> <p>The Plan also highlights the requirements to take forward the redevelopment of the County Hall Campus when market conditions dictate, addressing the future needs of the Council, recognising that options and an integrated approach to the other assets and organisations on the Campus would be needed.</p>
1.02	<p>The ambitions of the Corporate Asset Management Plan, alongside the shift towards more hybrid working arrangements as we adapted to new ways of working in response to and following the COVID-19 pandemic, and the unprecedented financial challenge currently facing the Council, combine to create factors that now make it critical to progress to the next stage of the office rationalisation programme and County Hall Campus redevelopment.</p> <p>As these two projects are interconnected, they have been considered initially as one piece of work, with multiple phases.</p>
1.03	<p>Phase one of the project has already commenced and will run until 28th February 2025. The main objective of phase one is to move as much and as many people out of County Hall as is possible.</p> <p>To enable this to happen, works are required at Ty Dewi Sant. It is essential that these works are undertaken as soon as possible under phase one of the project as they are necessary to provide alternative office accommodation for employees moving out of County Hall.</p> <p>Proposed works at Ty Dewi Sant are scheduled to start, assuming approval, in Autumn 2024.</p>

1.04	There is a budget amount noted in Appendix 1, for a light refurbishment of the 3 rd Floor of the Council Offices, Flint. This follows invasive survey work which is currently being undertaken as noted in the recent communication to members and staff
1.05	Phase two of the project will have three key areas of focus: <ul style="list-style-type: none"> 1. An alternative heating system and utilities supply for the other organisations/assets that remain on the County Hall Campus. (as per the Councils legal obligations) 2. Relocating the NEWydd central production kitchen out of County Hall. 3. Complete clear out of County Hall. (which will enable the total NNDR efficiency)
1.06	Phase three of the project will focus on the longer-term redevelopment of the County Hall Campus. The Officer team are currently investigating ways that the demolition costs can be offset by the holistic development of the Campus.
1.07	Reports on future phases will be presented to CROSC and Cabinet.

2.00	RESOURCE IMPLICATIONS
2.01	A summary of projected costs is provided at Appendix 1 of this report. Focus to date has been on confirming phase one costs as these are critical to ensure the move out of County Hall by 28 th February 2025.
2.02	The total estimated project costs for Phase 1 are £805,545. Given the sequence required to complete Phase 1 works prior to the 28th February 2025, £805,545 will be required for approval in the 2024/25 Month 6 capital report as an additional allocation from the current capital surplus.
2.03	The estimates for Phase 2 work will be included in the 2025/26 – 2027/28 Capital Programme for consideration later in the year.
2.04	As when the Council vacated phases 3 and 4 of County Hall, there will be efficiencies from moving out of County Hall completely. However, there will be a phased realisation of these efficiencies, some cannot be fully realised during Phase 1. Efficiencies have been identified and estimated as far as is possible, with an indication of the efficiencies projected for 2025-26. These can be found at Appendix 2 of this report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p>Whilst the aim is to move as much as possible out of County Hall by 28th February 2025, there are some exceptions where this will not be possible.</p> <p>As a landlord, and as part of the contractual agreement in place, the Council is required to provide utilities to the Law Courts on the County Hall Campus. This will require the Building Management System (BMS) to remain operational and for some security and caretaking allocation to remain on site.</p>
3.02	<p>In addition to the above, NEWydd Catering & Cleaning Ltd have their central kitchen at County Hall, in practical terms this cannot be relocated before 28th February 2025.</p> <p>The most suitable option for future provision is still being worked on and even if there was a confirmed plan in place, works cannot be commissioned and undertaken in the time available.</p>
3.03	<p>The need to vacate County Hall by 28th February 2025 had been fixed given the interdependency to the relocation of the Data Centre, after which time there will be no network and/or WiFi facilities at County Hall.</p> <p>Some network and WiFi services will need to be facilitated for the remaining occupied areas of County Hall during phase two. This would enable limited provision to support NEWydd's Central Production and network to support the BMS and alarm/fire systems.</p>
3.04	<p>An Integrated Impact Assessment has not been undertaken as there is no proposed change to services or service strategies/policies.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>A copy of this report will be presented to the Corporate Resources Overview and Scrutiny Committee (CROSC) on 10th October 2024.</p>
4.02	<p>The Office Rationalisation Programme and County Hall Campus was not included as a Non-digital Transformation Project in the report on the Transformation Programme presented to Cabinet at its meeting on 23rd July 2024. However, the Office Rationalisation Programme and County Hall Campus should fall under the Transformation Programme.</p>
4.03	<p>Reports on future phases will be presented to CROSC and Cabinet as appropriate.</p>

5.00	APPENDICES
5.01	<p>Appendix 1 – Summary of phases and projected costs (part 2)</p>
5.02	<p>Appendix 2 – Potential Efficiencies (part 2)</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Corporate Asset Management Plan, as presented to Cabinet in October 2022, available online: https://committeemeetings.flintshire.gov.uk/ieListDocuments.aspx?CId=391&MId=5236&Ver=4&LLL=0

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Kelly Oldham-Jones – Strategic Executive Officer Telephone: 01352 702143 E-mail: kelly.oldham-jones@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
	Asset Management Plan - A plan maintained by an authority of the condition and suitability of its assets, updated regularly and utilised to assess future capital needs.