

CHESHIRE EAST COUNCIL

Cabinet

Date of meeting: 17 July 2008
Report of: Lead Officer on Infrastructure and Facilities
Title: Office Accommodation for New Council

1.0 Purpose of Report

- 1.1 To consider options and recommendations for the location and nature of the Cheshire East Council headquarters and the wider provision of office accommodation for the new Council.

2.0 Decision Required

The Cabinet is asked to agree that:-

- 2.1 the location of the Administrative Headquarters of Cheshire East Council be confirmed as Westfields, Sandbach and Congleton Borough Council be requested to ensure that the adjacent site is safeguarded for potential future use by the Council if required;
- 2.2 the physical provision of that office should follow the minimalist concept outlined in this paper, incorporating only the key corporate functions listed in Appendix 2;
- 2.3 the Council's approach to the overall provision of office accommodation for both Members and Officers should be based on the full exploitation of new ways of working enabled by modern technology, making the most efficient use possible of office accommodation and reducing the need for excessive staff travel;
- 2.4 the Council should maintain a full presence in the existing offices in the principal communities of East Cheshire so as to maximise its accessibility to the public and sustain the positive economic effects of such presence.

3.0 Financial Implications for Transition Costs

- 3.1 An initial bid of £100,000 was made for transitional costs required for minor changes to existing offices to accommodate immediate "day one" requirements. This is still considered to be valid and sufficient for the recommended approach to headquarters provision as set out in this paper.
- 3.2 Appropriate human resources would be needed to plan and organise the physical works and staff moves. It is suggested that a reasonable allowance

for additional staff and/or external consultancy support for this would be £50,000.

4.0 Financial Implications 2009/10 and beyond

- 4.1 Whichever option is chosen for the provision of the accommodation required for the new Council, there will be substantial capital and revenue costs falling to be met in 2009/10 and beyond. As a “worst case” the initial capital costs of providing new offices for all staff transferred from the County Council would be in the order of £15m with ongoing revenue costs of around £1m. The overall cost of providing technology to enable mobile and flexible working for all Officers and Members of the Council, along with the building adaptations required to make this function effectively would be lower than this but would still be significant.

5.0 Risk Assessment

- 5.1 The fact that there will be insufficient existing office accommodation immediately under the control of the new Council to accommodate transferred staff is a significant risk in itself. This is compounded by a number of issues affecting accommodation in West Cheshire and the influence of those over the timing of physical staff transfers and potential availability of capital receipts and/or revenue savings from the release of surplus accommodation.
- 5.2 The adoption of the radical approach to the future provision of office accommodation advocated in this paper is a relatively high risk strategy as it depends upon the acceptance by staff of new ways of working, the required investment necessary to enable this and, above all, the absolute commitment of senior managers and Members of the new Council to make it happen.
- 5.3 Finally, it must be accepted that the new Council will have to operate from a position of compromise in terms of office accommodation and disposition of staff for some time after 1st April 2009. This inevitably poses some degree of risk to service delivery and operational efficiency. The amount of detailed work required during the next few months to minimise this risk and establish workable solutions and the resources required to do this must not be underestimated.

6.0 Background

- 6.1 The Project Brief for the Cheshire East Infrastructure and Facilities project includes as its first priority the identification of the headquarters location of the new Council. The importance of an early decision on this issue is self evident in terms of the successful operation of the authority from 1st April 2009 and to start to inform the complex process of staff transfers and interim working arrangements.
- 6.2 To assist with the difficult task of identifying potential locations for the headquarters, an accommodation brief and suitability assessment was developed in conjunction with the Cheshire-wide Infrastructure and Facilities

Group. These provide a basic analysis of the facilities and space requirements for the headquarters function and a means of assessing existing buildings against a series of suitability criteria, including those taken from the People and Places bid document and agreed benchmark standards for office accommodation.

- 6.3 Another important consideration of particular relevant to the ultimate location of the Cheshire East Offices is the situation regarding the potential relocation of substantial numbers of existing County Council staff who currently work in the Chester area.
- 6.4 From an initial assessment of the bid and potential staffing structures, there could be a net requirement to accommodate around 700 additional staff in the Cheshire East area. The vast majority (around 80%) of County Council staff working in Chester currently live in the West of the County or in North Wales and Wirral and travel to work will be a significant issue if the wish is to retain the service of these staff for Cheshire East.
- 6.5 The adoption of modern flexible and mobile working arrangements is strongly recommended as one means of assisting with this. Travel to work will, however, still be an issue for many people. Accessibility by a variety of transport means from the Chester area has therefore been given appropriate weighting in the evaluation of headquarters options.
- 6.6 Alongside the decision on the preferred location of the headquarters, it is also necessary to determine the definition of “headquarters” in terms of its function, image and numbers of staff to be located there. This will then inform the subsequent decisions on accommodating those functions and staff which are not deemed to be part of headquarters in the most effective and logical way.
- 6.7 For the majority of staff employed by the new Council, the presumption is made that they will remain in their existing office locations until alternative arrangements, based on the principles set out in this paper, are put in place. Although the acquisition of additional office space may be an inevitable requirement, this should be kept to the absolute minimum.

7.0 Options

- 7.1 The Cheshire East Infrastructure and Facilities Project Team identified three possible options for consideration as potential headquarters from the existing offices of the four constituent authorities. These are:-
 - Macclesfield Town Hall
 - Municipal Buildings, Crewe
 - Westfields, Sandbach

Each of these options has been evaluated against the brief and suitability assessment which produces a weighted score details of which are set out in Appendix 1 to this paper.

- 7.2 In respect of the nature and ultimate size of the headquarters, the possible options range from the establishment of a single main headquarters building to accommodate all staff and functions of the new Council on a single site to a “minimalist” approach which brings together only the key, corporate functions of the Council. A suggestion as to the minimum requirements for such an approach is attached as Appendix 2.
- 7.3 For staff and functions deemed to be “non-headquarters” the option of building or acquiring new office accommodation remains. As a whole or partial alternative, however, the adoption of modern, flexible and mobile working arrangements is a choice open to the new Council. Appendix 3 to this paper sets out further details of this option and outlines standards for possible adoption.

8.0 Reasons for Recommendation

- 8.1 The recommendation to locate the Council’s Headquarters at Westfields, Sandbach reflects the outcome of the detailed analysis of options summarised in Appendix 1 to this paper.
- 8.2 The minimalist approach to Headquarters office provision reflects the philosophy of the People and Places bid in terms of the image and business requirements of the new Council. It is also the least expensive and disruptive option and is achievable by 1st April 2009.
- 8.3 The radical approach recommended for the introduction of new ways of working and efficient use of office space is again consistent with the People and Places bid in terms of demonstrating the intent of the new Council to adopt a modern, efficient approach to service delivery. The creation of the new Council provides a “once-in-a-lifetime” opportunity to introduce step change in this area. This recommendation will, however, require considerable further development and, in particular, continuing close involvement with the evolving situation with office accommodation in West Cheshire.
- 8.4 The final recommendation reinforces the new Council’s commitment to localism and the positive direct influence that its presence has on the economy of the principal communities of Cheshire East.

For further information:

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Background Documents:

Documents are available for inspection at: Room 201, County Hall

Introduction

Criteria used for evaluation possible options for Headquarters offices:

Location

The brief required the premises to be located in a main centre of the population, central to the Authority. The location, public transport links, car parking and vehicular access arrangements were considered. (See also the specific comments in paragraph 4.4 above).

Accessibility

As a public facility accessibility was recognised as an essential element, with a readily identifiable building. Particular consideration was given to accessibility for people with special needs or with children, the internal layout and internal and external signage.

Environment

This considered issues of lighting levels, heating/cooling systems, acoustics, floor finishes and internal decoration.

Safety and Security

Given the public nature of the facility, security was considered essential, with a mixture of manned surveillance and alarm.

Space

The space available at the premises was considered and scored against the suitability of its layout, size, storage, reception facilities, interview facilities, toilets and configuration. The sufficient provision of formal and informal meeting spaces, ensuring a successful open plan concept was considered essential.

Fixtures and Fittings

This involved assessing the ICT network and connectivity, availability of power points, visual and sensory aids, and back-up power supply.

Sustainability

This element considered the proximity to transport hubs, BREAAAM rating of the premises, carbon emissions, building management systems, energy saving services and environmentally friendly protocols of the premises.

Cost in Use

This element considered the running costs of the premises based on the maintenance, energy bills etc.

A brief summary of the results of the evaluation of each option against these criteria is given below:-

Macclesfield Town Hall – Score 194/370

Advantages:-

- Good Town Centre location
- Strong, modern image to new building
- Some space for additional occupation could be created but limited by letting of part to external organisation

Disadvantages:-

- Lack of sufficient, dedicated civic accommodation on site
- No expansion space
- Limited on site parking
- Poor accessibility for potential transferred staff

Municipal Buildings, Crewe – Score 204/370

Advantages:-

- Closest match to brief for civic accommodation and space requirements
- Good Town Centre location
- Good accessibility for potential transferred staff (public transport as well as car)
- Some expansion space (with potential new office provision as part of Town Centre redevelopment scheme)

Disadvantages:-

- Traditional image of original building with Listed Building status placing limitations on adaptations possible
- Not central to new Council area
- Very limited parking on site (although extensive public parking available nearby)

Westfields, Sandbach – Score 306/370

Advantages:-

- New building offering high, modern standards of accommodation
- Good image for new Council
- Significant expansion potential on same site
- Central to new Council area with reasonable access for potential transferred staff

Disadvantages:-

- Lack of sufficient civic accommodation on site (Council meetings would have to take place elsewhere)

CHESHIRE EAST – SUGGESTED MINIMUM REQUIREMENTS FOR HEADQUARTERS FUNCTION

1. Senior Management Team (top 2 tiers) and Admin support.
2. Democratic Services Team and Member support facilities.
3. Communications/PR Team with media suite facility.
4. Section 151 Officer (If not in above) and some corporate finance capacity (but not necessarily technical finance).
5. Strategic HR Team (not necessarily HR services).
6. Corporate Policy and Performance Team including Research and Intelligence Unit.
7. Monitoring Officer and deputy (but not necessarily Legal Services as a whole).
8. One stop shop customer centre and a telephone switchboard facility for HQ (but not main call centre/contact centre).
9. Drop-in/Hot desk facilities for staff (number to be determined).
10. Board room and range of meeting rooms (flexible design and layout).
11. Staff facilities (catering; break out areas).
12. Committee/Public meeting rooms (but not necessarily Chamber for full council meetings).
13. Emergency Planning Control Room facility (use committee room(s) as dual function).
14. Provision for shared use with partner organisations (eg PCT; Police; Fire).
15. FM support team + “front of house” manager.

CHESHIRE EAST – A NEW APPROACH TO OFFICE PROVISION

Introduction

In the context of the current project to determine the location and size of the headquarters for the new Cheshire East Council, there is a unique opportunity to adopt a radically different approach to the provision of office accommodation. This approach is a fundamental challenge to the traditional practice of providing fixed desk spaces for the majority of staff and private offices for senior managers.

Benefits

The creation of the new authority provides the impetus to introduce completely new cultures and working practices from the outset. The adoption of new ways of working which have been introduced successfully elsewhere could provide the following benefits:-

| <u>BUSINESS</u> | | <u>PEOPLE</u> |
|---|--|---|
| | | |
| Public statement of values of new Council – not bound by legacy constraints | | Reinforcement of positive change and “difference” of new Council |
| Reduction of fixed, non-productive costs | | Improved productivity and quality of life; more individual choice as to work location |
| Office space clearly matched to work processes | | Increased staff retention and removal of some LGR anxieties |
| Flexibility to respond easily to future changes | | |
| Managed investment balanced by reduced overheads | | |

Proposed Standards

The following basic principles and standards are proposed to be applied initially to the selected headquarters building and subsequently for roll-out to all office accommodation occupied by Cheshire East Council.

- A maximum overall space standard of 9 sq metres per occupant (including circulation, storage, meeting rooms and amenity space)

supported by the use of appropriate furniture, equipment and ICT technology

- Open plan layout with no individual offices for any grade of staff
- “Hot desking” provision for the majority of staff with an overall ratio of 1 workstation to 3 staff across the authority
- Provision of sufficient and attractive “break out” areas and meeting rooms, supported by high-quality, fully integrated Facilities Management Service.

Practical Considerations

The adoption of new ways of working as outlined above could go a long way towards addressing the challenges which the new Council will face in accommodating transferred staff. A significant number of additional staff could be accommodated in the existing main offices in Cheshire East if the proposed standards were adopted. (For example, current space utilisation at Westfields, Sandbach and Macclesfield Town Hall is around 14 sq metres and 12 sq metres per person respectively).

A model based on the extensive use of hot desking with facilities for staff to work from home or at “drop in” locations elsewhere using mobile ICT equipment could potentially allow the new Council to function with little or no increase in existing office provision.

There would be significant initial expenditure in enabling the Council to work in this way. Some reconfiguration of office space would be needed, along with the purchase of new furniture and ICT equipment for staff. The cost of this would, however, be a fraction of what would be incurred in acquiring new office accommodation.