



Report of Chief Officer Asset Management & Regeneration

Report to: Director of Resources & Housing

Date: 27th February 2019

Subject: Civic Hall Refurbishment to Third Floor South and Second Floor Southwest, ICT Drop In and External Bike Storage.

Capital Scheme Number: 16256

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Little London and Woodhouse		
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. On 18th July 2012, Executive Board approved injection of the full capital budget for the Changing the Workplace (CtW) programme Phase 1 Stage 2. This project is part of the wider programme of work that will enable the Council to deliver improved services and make significant savings by rationalising Council buildings within the city centre and the localities. The 2016 refresh of the phase 1 business case has shown that the cost of changing the workplace in the city centre has reduced by £27M in cash and £15M NPV over the 25 year lifecycle from the 2012 business case, increasing the original business case cost saving to £27m NPV. £1.6million has already been saved through early release of buildings.
2. The CtW programme aims to improve how we work across the organisation through co-ordinated activity around people, process, technology/information, and workplace. It supports the changes needed across the organisation so we can respond more effectively to our customer's needs and the significant challenges ahead. This project is part of the wider programme of work within Phase 2 of Changing the Workplace supporting the rationalisation of staff office accommodation outside the city centre.

3. Authority to Spend a further £321,458 from existing budget provision (Capital Scheme no. 16256) is being sought. This spend is to enable the work needed to carry out a Changing the Workplace refurbishment to the current Civic Hall Third Floor South, the Second Floor Southwest and an area of Cycle Lockers outside. This report provides information on cost and proposed funding arrangements for the proposed works.
4. The refurbishment works will enable 25 workstations (41 staff based on 6:10 desk/ staff ratios) to be accommodated on the Second Floor Southeast, this area will also incorporate 12 desks and a meeting room to be utilised by the Joint Trade Union Learn Facility.
A further 16 Workstations (26 staff based on 6:10 desk/ staff ratios) are to be located on the Third Floor South.
In support of encouraging sustainable travel the current cycle storage outside the Civic Hall will be expanded by providing new lockers that have dual storage provision and so increasing the amount of secure cycle storage available from 28 currently to 48 with the new provision.
This scheme will also seek to assist with finding solutions for accessibility issues to the ICT Drop-In Centre with the provision of replacement hot desking furniture and an automated access door.
5. The change in office environment will create a better working environment, provide shared workspaces and revised information management arrangements. Through New Ways of Working (NWoW) services/staff are empowered to improve outcomes through better management of their work and delivery of service objectives. In turn, this has been shown to help improve staff well-being and morale and reduce levels of stress and sickness.
6. In line with the Best Council Plan that focuses on enhancing citizens and staff wellbeing and resilience. These works make inclusion and diversity a priority and celebrate difference. This continues to build on the 'can do' approach that so many of our workforce embody and encourages participation through more flexible systems and facilities that support Diversity and Integration.

1.0 Recommendations

The Director of Resources and Housing is requested to give authority to spend £321,458 from existing budget provision (Capital Scheme no. 16256). This spend is to enable the work needed to carry out a Changing the Workplace refurbishment to the current Civic Hall Third Floor South, the Second Floor Southwest and an area of Cycle Lockers outside. This report provides information on cost and proposed funding arrangements for the proposed works.

2.0 Purpose of this report

- 2.1 The purpose of this report is to seek authority to spend for the resources required to undertake the refurbishment of the Civic Hall that will enable 41 workstations (67 staff at 6:10 desk to staff ratios) to be accommodated in line with the councils New Ways of Working (NWoW) principles. These works will also encourage sustainable travel with greater cycle storage provision outside the Civic Hall.

3.0 Background information

- 3.1 The CtW programme aims to improve how we work across the organisation through co-ordinated activity around people, process, technology/information, and workplace. It supports the changes needed across the organisation so we can respond more effectively to our customers' needs and the significant challenges ahead.
- 3.2 The CtW programme will deliver cashable benefits through integration of services and property release. Other benefits include increased staff productivity, improvements in health and wellbeing, improvements in service delivery, investment in people, technology and workplace.
- 3.3 Phase 1 of CtW will ensure that all owned and leased in properties inside of the city centre are also fit for purpose and support New Ways of Working (NWoW) and Inclusion and Diversity requirements. Asset Management identified the Civic Hall as part of the Phase 1 CtW refurbishments to be undertaken.

The project will support a more agile workforce through the introduction of NWoW touchdown space in the Civic Hall and the enhanced facilities to increase (I&D) participation. With support for more people having the option of sustainable travel

The Authority to Spend is a critical decision in terms of taking the project forward and in terms of ensuring the Civic Hall meets current inclusion and diversity guidelines, provides office space to support NWoW and encourages sustainable travel.

4.0 Main issues

4.1 Design proposals and full scheme description

- 4.1.1 The Civic Hall is one of Leeds City Councils core operational offices within the city centre, this scheme will provide fit for purpose facilities expected of a Civic Building and deliver this within realistic timescales in order to realise the schemes objectives of delivering inclusion facilities for all.
- 4.1.2 The property works will be undertaken in-house by Leeds Building Services (LBS). The refurbishment works will provide fit for purpose modern facilities.

4.2 Project delivery

- 4.2.1 In order to achieve objectives the project will;

- Facilitate the development of NWoW office provision in accordance with the defined and corporately agreed CtW principles.
- Provide facilities that meet the Inclusion and Diversity guidelines.

- Provide valuable office accommodation on the third floor in a currently under used area
- Provide a suitable area to support the delivery of the Joint Trade Unions Adult Learning Programme
- Resolve the current difficulties accessing the ICT Drop in Centre
- Support Sustainable travel by providing cycle storage.

4.2.2 The following illustrates the key deliverables and timescales:

Gateway	Activities	Combined Timescales	Complete
Gateway 0 – Need identified	Identify areas in scope Complete project brief	April - May 2018	Complete
Gateway 1 – Feasibility & Options Appraisal	Update project brief Assess feasibility, scope and specification	May - June 2018	Complete
Gateway 2 – Outline Design and feasibility	Detailed design and cost	September - November 2018	Complete
Gateway 3 – Detailed Design & Procurement	Finalise stakeholder requirements Secure funding for project Procurement stage	November 2018 - January 2019	
Gateway 4 – Mobilisation & Delivery	Phase 1 External, Second Floor and Third Floor	February – April 2019	
	Phase 2 Mail room Corridor	April - June 2019	
	Phase 3 Cycle Changing and GF corridor	June – September 2019	
Gateway 5 – Handover	Handover to business as usual activities Snagging	September 2019	
Gateway 6 – Benefits realisation	Evaluate project Lessons learned Gain project closure approval Final perception survey	September 2019	

4.3 Project team resources

- 4.3.1 The CtW work packages, clearly set out the roles and responsibilities of the project team.
- 4.3.2 Project management resource from Asset management has been allocated the responsibility for the day to day delivery and management of the project and will be the key contact.

4.3.3 As part of the overall project management of the project, the Asset Management project team will oversee and coordinate the following activities to deliver the project, support the handover of the project and ensure process and procedures are in place for the commission and use of the facilities:

- The delivery and integration of NWoW policies and procedures, as specified in the CtW principles, and engagement and change sessions tailored to meet business needs.
- The provision of fit for purpose accommodation, furniture and equipment, including ICT, to meet both the business needs and CtW principles.
- The promotion of Sustainable Travel options that result from these works.
- People are aware of the new facilities and council gets the benefit of the inclusive approach.
- The relocation of staff and their appropriate belongings, furniture and facilities.

5.0 Corporate considerations

5.1 Consultation and engagement

- 5.1.1 Consultation regarding this Design and Cost Report has taken place with colleagues in City Development, Staff Network Groups, GMB, UNISON and UNITE Unions, Services affected by the Change, Facilities Management and Elected Members
- 5.1.2 Regular update reports for this project have been reported to the CtW Programme Board.
- 5.1.3 Consultations with the all stakeholders has taken place at regular intervals. These consultations have included direct consultation with the Deputy Leader and Executive Member for Resources and Sustainability, the Executive Member for Learning, Skills and Employment and Deputy Executive Member with Councillor Alison Lowe Lead Member also being consulted as Chair of the Inclusion and Diversity Steering Group.
- 5.1.4 A consultation in relation to the proposed changes with planning and listed building colleagues has been undertaken and feedback incorporated into the proposals.

6.0 Equality and diversity / cohesion and integration

- 6.1 The CtW programme Equality Impact Assessment undertook specific consultation with both staff and groups representative of protected groups. This is available on request.
- 6.2 The project has a process in place that assesses any specific needs for staff and/or customers in relation to equality, diversity and cohesion. These will be addressed and where any issues are not addressed, 'fair and reasonable' action will be taken. The scheme will be developed taking into account the inclusion and diversity approach approved by Executive Board.

- 6.3 The Inclusion and Diversity Steering Group has been consulted throughout the design process. The Access Officer and the HR Accessibility Officer will be directly involved in the specification and purchase of fixtures and fittings throughout the refurbishment process.

7.0 Council policies and city priorities

- 7.1 The project meets the Leeds City Council policy Best Council Business Plan 2015-2020 as follows:

- Fulfilling our Best Council ambitions by making better use of our resources, enabling the Council to adopt a more inclusive approach whilst improving our services to customers and the wellbeing of staff. The Council will become a more agile, resilient, productive and efficient organisation.
- Improving the environment through reduced carbon emissions as part of our Best City for Business Plan. Increasing the amount of sustainable travel time for staff will help to reduce carbon emissions and support the improvement of air quality.
- One of the Council's objectives is to take all Council staff through NWoW. This project will enable a further 67 staff to work in new ways of flexible working at touchdown and team areas.

8.0 Resources and value for money

8.1 Capital funding and cash flow

Funding Approval :		Capital Section Reference Number :-				
Previous total Authority to Spend on this scheme	TOTAL	TO MARCH 2018	FORECAST			
	£000's	£000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2022on £000's
LAND (1)	0.0	0.0				
CONSTRUCTION (3)	0.0	0.0				
FURN & EQPT (5)	0.0	0.0				
DESIGN FEES (6)	0.0	0.0				
OTHER COSTS (7)	0.0	0.0				
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL	TO MARCH 2018	FORECAST			
	£000's	£000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2022on £000's
LAND (1)	0.0	0.0				
CONSTRUCTION (3)		228.8	228.8			
FURN & EQPT (5)		87.9	87.9			
DESIGN FEES (6)		0.0				
OTHER COSTS (7)		4.8	4.8			
TOTALS	0.0	321.5	321.5	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL	TO MARCH 2018	FORECAST			
	£000's	£000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2022on £000's
LCC Funded		321.5	321.5			
Total Funding	0.0	321.5	321.5	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0

Parent scheme number: 16256

Title: Civic Hall Refurbishment to Third Floor South, Second floor Southwest, ICT drop in and Cycle storage.

8.2 Revenue effects

The following table illustrates minimal one off costs to Facilities Management revenue budgets to enable to removal of furniture.

REVENUE EFFECTS	2016/17 £000's	2017/18 and SUBSEQUENT YEARS £000'S
EMPLOYEES PREMISES COSTS SUPPLIES & SERVICES EXTERNAL INCOME GENERATED		0.0

9.0 Legal Implications, access to information and call in

- 9.1 There are no legal implications to this project other than meeting the Equality Act; compliance has previously been outlined in section 5.
- 9.2 This is a Key Decision and is subject to call in. The project is funded from the Changing the Workplace budget which was approved by Executive Board in July 2018.

10.0 Risk management

- 10.1 A project risk register has been developed and managed throughout the project lifecycle and CtW Programme Board. The key risks at present are:
- CtW project budget put under pressure due to escalating project costs. This can be mitigated through monthly budget monitoring.
 - Unable to agree with all stakeholders on the relocation of staff.
 - Changes to policy or governance leading to a change of policy.

11.0 Conclusions

- 11.1 This project has a clear synergy with the objectives of Leeds City Council. It supports the council's core values of Sustainable Travel, Flexible New Ways of Working also promotion of Inclusion and Diversity. In the short-term, it will improve workforce productivity and service delivery through provision of CtW facilities and office space. This particular project will realise the following benefits:

- Provision for 67 staff to work flexibly within the Civic Hall.
- Increased productivity as a result of more flexible working reduced travelling time and improved work-life balance.
- Improved work environment to meet DSE and health and safety regulations.
- Creation of flexible work spaces to allow cross council partnership working.
- Promotion of Sustainable Travel policy with facilities to encourage and cater for increased participation.

- 11.2 The programme of work predicted completion date is 31st August 2019

- 11.3 The Authority to Spend is a critical decision in terms of progressing the Civic Hall CtW refurbishment to bring it in line with the council's standard operational building facilities for public and staff.

12.0 Recommendations

The Director of Resources and Housing is requested to give authority to spend £321,458 from existing budget provision (Capital Scheme no. 16256). This spend is to enable the work needed to carry out a Changing the Workplace refurbishment to the current Civic Hall Third Floor South, the Second Floor Southwest and an area of Cycle Lockers outside. This report provides information on cost and proposed funding arrangements for the proposed works.

13.0 Background documents

None.