

REPORT TO EXECUTIVE

PORTFOLIO AREA: FINANCE & RESOURCES

Date of Meeting: 25 November 2002

Public

Key Decision: Yes

Recorded in Forward

Yes

Inside Policy Framework Yes

Title: ASSET MANAGEMENT PLAN – CIVIC SPACE PLANNING

Report of: DIRECTOR OF ENVIRONMENT & DEVELOPMENT

Report reference: EN 129/02

Summary:

This report summaries work that has taken place so that a strategy can be recommended and then implemented on an incremental basis from the end of this year.

Recommendations: It is recommended that:

1. The first principles outlined in the report be agreed;
2. A supplementary estimate / 2003/4 budget allocation of £250,000 be released to cover:
 1. A feasibility study into the design and costing of a customer service centre;
 2. Building and facilities works at the Civic Centre to accommodate other Business Unit changes;
3. A supplementary estimate for works to create a customer service centre will be sought during 2003/4, once the costs are known;
4. That consultation on the contents of this report takes place with staff, trade unions, all Members and partners for comments;
5. That the space allocation and Business Unit locations as outlined in this report be approved in principle, subject to consultation.

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1. INTRODUCTION

1. This report provides a framework as a consequence of the corporate change being introduced. This is linked to the development of a customer contact centre and the prospective public-partnership for Revenues and Benefits. The overriding objective for the redesign of the building is to develop the Civic Centre as a community resource for the future.
2. What is working space – It is the environment we occupy for a large part of our lives; it directly

reflects the character an organisation wishes to project; it is not a free good; there is a direct link with status.

3. The quality of the place in which people work is recognised as a significant factor that contributes towards customer focus, good moral, productivity, workplace relations, corporate ethos and employee contentment.
4. The working environment of the Council requires modernisation to create:

A pleasant, smart, tidy and efficient atmosphere conducive to achieving a spirit of high esteem.

2. FIRST PRINCIPLES

- o Recognise the Civic Centre as the long term strategic location for City governance;
- o Agree that the building is fit for purpose but requires updating;
- o Maximise good customer relations from one contact point to include partnering and co-location;
- o Improve cost efficiency by rationalising property holdings further;
- o Enhance service delivery and corporate working from an improved environment;
- o Develop the area for community and business quarter uses with Council leadership;
- o Introduce an integrated strategy;
- o Incorporate flexibility to attract partners for innovative uses of space and delivery of services;
- o Space allocation per colleague be raised to the nationally recognised norm.

1. MAPPING

1. COUNCIL ANALYSIS

1. Strategic directions.
2. Space / Forecast Estimate & Agreement – after consultation March 2002 – November 2002.

• COUNCIL REQUIREMENT

2.1 Budget Allocation – November 2002.

3. REFURBISHMENT - December 2002 – September 2004

4. MARKETING POLICY - April 2003 onwards

1. STRATEGIC DIRECTION

1. The Civic Centre and car park are considerable strategic assets – of importance to both Carlisle and the Council.
2. The Council has a highly rationalised property portfolio, particularly for its administrative staff. Unlike many other Councils, it has one main base which is considerably efficient.
3. City governance located in the Civic Centre – as it is extremely cost effective and convenient – over the long term is Best Value and the Council should remain where it is.
4. It is an underdeveloped site with a number of opportunities for intensification.
5. Attracting other community and business partners into the quarter are opportunities.

2. SUMMARY – WHERE ARE WE NOW?

Strengths	Weaknesses
Very rational property portfolio.	Under-utilised sites.
One Civic Centre highly efficient.	Dated image.
Structurally sound, centrally located buildings.	Limited shared use.
Car parking available.	Civic looks bigger than it is.
Disabled access points	Mixed internal impressions.
Flexible space	Customer focus

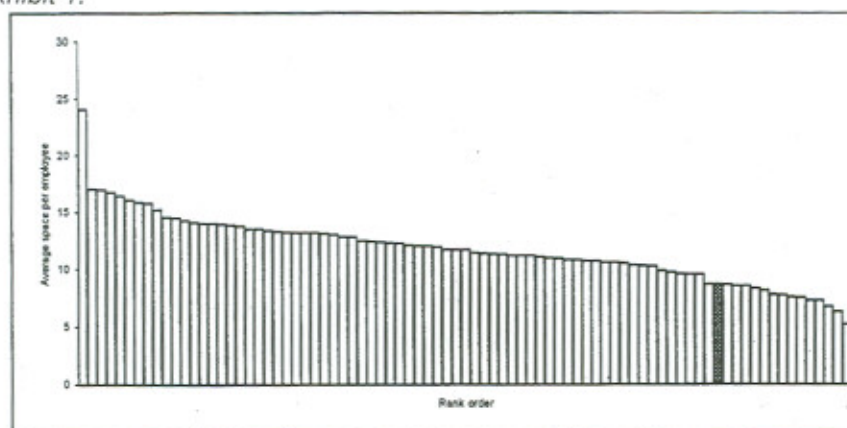
3. BUILDINGS USED FOR ADMINISTRATION BUILDINGS USED FOR PARTNERING

<ul style="list-style-type: none"> • Civic Centre • Tullie House • Bousteads Grassing • Sands Centre • Benefits Advice Centre • Bitts Park depot • The Pools • Crematorium / Richardson Street Office 	<ul style="list-style-type: none"> • Citizens Advice Bureau • Tourist Information Centre • Guildhall • The Anchorage • Shaddonmills (archaeology) • Willowholme Depot • Enterprise Centre • Irthing Valley Centre • Community Centres
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1. EFFICIENCY ANALYSIS

1. The average space allocated by Carlisle City Council to each employee is well below the average for councils nationally as shown in Exhibit 4.

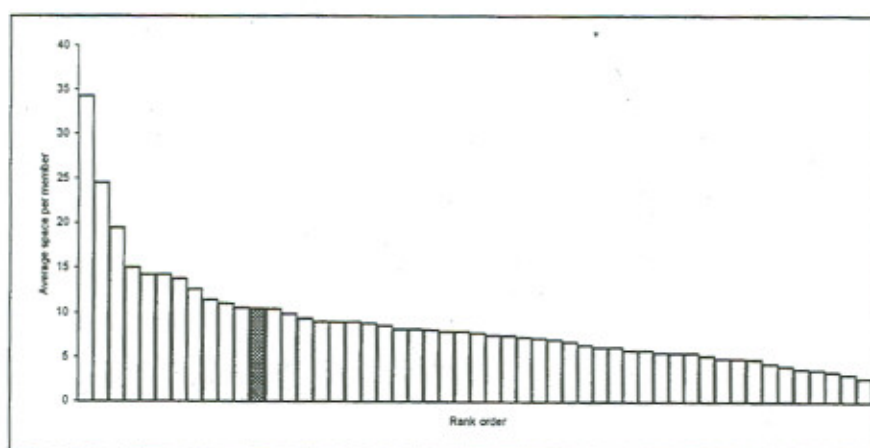
Exhibit 1:



Source: District Audit Database

Carlisle City Council's average space allocation is 8.7 sq m per employee compared to the average of 11.7 sq m – the range calculates from 4.6 sq m.

2. The lower quartile figure for Council's is 10.00 sq m per employee and is recognised nationally as the figure to aim for. In some areas of the Civic space, it is as low as 4.6 sq m per employee – well below the minimum recommended.
3. The average space allocated to each Elected Member of the Council is above the average.



Source: District Audit Database

Exhibit 2:

Carlisle City Council's average space allocation is 10.5 m² per member to the average of 7.8 m².

4. The Civic's running costs are below the average for councils nationally.
5. The Civic – as one main location – is very efficient for administration compared to many Council's property ownership strategy.
6. The Council already sublets part of the Civic to other organisations and uses this income to lower costs.

2. SUMMARY OF STAFF CONSULTATION

1. A consultation process of staff has been undertaken. The main findings are:
 - o Staff like to work in a secure and safe environment.
 - o There is a recognition that the Civic Centre provides flexible and modern accommodation but it has a 60's feel to it – which needs updating.
 - o There is a wish to remain in the City Centre.
 - o Security of meeting rooms and the privacy is a priority.
 - o There needs to be a better synergy with business units who work together.
 - o A workplace rest area which is attractive is a requirement.
 - o Open plan offices have a mixed acceptance – those who already work open plan like it, those who do not are against it.
 - o Change should not be for the sake of it and there needs to be as little disruption as can be managed.
 - o There is a recognition that the customer contact presently requires investment.
 - o Although there was a recognition that there has to be space standards set, staff did not want rules and regulations imposed nor a complex system introduced.
 - o Hot desking was thought to have gone out of fashion nationwide.
 - o There is a recognition that some partitions should be taken out, particularly from corridors, to improve space.
 - o Some duties need more space – such as technical drawing – and a flexible space allocation is desired.
 - o Professional qualified staff require confidentiality.
 - o The heating and ventilation systems are limited.

1. VALUATION ANALYSIS

1. The Civic Centre provides cost effective, highly flexible and well-lit open space with demountable partitions throughout. Each floor benefits from good quality services.
2. It is structurally sound in nature, well maintained and is Best Value in terms of running costs.
3. There is no dynamic office market in Carlisle to provide the City Council with an alternative for

the foreseeable future without the Council being the major pump primer in any strategic development.

4. Any alternative will be at least three times more expensive in rental terms.
5. The Council is recommended to remain in the existing accommodation on the same site – subject to a possible intensification of uses to involve development of the surrounding area as a mixed use scheme.
6. As much ground floor space as possible should be made available for customer focus partnering.

2. SPACE FORECASTING – UNIFIED APPROACH

1. Quality is critical.
2. More space should be created for staff - particularly to help those colleagues with very confined conditions.
3. Assess space allocation according to benchmarking at 10 sq m / colleague but with a recognition that this is not an exact science and it may vary, particularly depending upon hours / time spent in the office and the type of duty being carried out.
4. That space for Executive Directors, strategic housing staff, Bousteads Grassing works and customer contact service be created urgently.
5. That the current system of charging based on running costs less total income received to remain in force (it follows CIPFA guidelines).
6. That there is a recognition that modern office working is open plan – but the Council recognise that to achieve good, modern accommodation requires a budget to match – to include removing the internal corridors.
7. Effectiveness and efficiency can be enhanced further through a Business Case.

3. BROAD PROPOSALS – BY 2004

Ground Floor	Customer contact Partnership and co-location space Two Committee Rooms
First Floor	Members / Mayoral and Civic rooms. Executive room
	Block floor meeting space improvement.
	Chief Executive, Executive Directors and support.
	Political Group Room
	Strategic and Performance.
	Overview and Scrutiny
Second Floor	Member & Employee services.
	Legal and Democratic Services.
Third / Fourth Floors	Social Services.
Fifth Floor	Economy & Community Services.
	Culture, Leisure and Sport.
Sixth Floor	Planning
Seventh Floor	Environmental Protection
Eighth Floor	Financial Services.

	District Audit.
	Property Services.
	Commercial & Technical Services Civic Base.
Ninth Floor	Revenue & Benefits
	Civic Board Room
	Staff room.
Bousteads Grassing	Commercial and Technical (subject to a separate report).
	Training Room

4. INCREMENTAL IMPLEMENTATION

January – June 2003	Physical space created for immediate requirement for Executive Directors / other Business Units most pressed, including Bousteads Grassing works.
Jan – March 2003	Design and cost feasibility for customer contact centre.
June – October 2003	Public consultation – customer contact centre.
	Partnering opportunity discussion.
October – April 2004	Customer contact and partnering establishment (CHA vacate)
	Business Quarter Development Plan.

1. It is critical that the Bousteads Grassing works are undertaken to begin the space moves – until new space is created, nothing will happen.

5. SUPPLEMENTARY ESTIMATE / BUDGET REQUEST

1. Finance of £250,000 is sought which could be made available through a supplementary estimate.
2. The costs will cover:-

1. Creation of temporary space for the customer service centre.
2. Improvements to the First Floor to create additional meeting space.
3. Office improvements to create a better environment for corporate working.
4. Free up space for rent to partners.

1. Additional costs will be needed to improve Bousteads Grassing (subject to a separate report) and the Customer Contact Centre (subject to feasibility, the study costs being part of the request for a supplementary estimate outlined in this report).

1. CONCLUSIONS

1. The Civic Centre provides the best value space from which governance of Carlisle can be based.
2. There are partnering opportunities which can create a community and business quarter, with the Council taking the lead at Rickergate – and a business case approach can bring revenue income / cost saving benefits.
3. Space planning and implementation need to take place subject to budget allocation – work can begin as soon as this is granted.
4. A strategy as outlined in this report is considered appropriate, where capital investment now will create revenue advantages to the City Council and enhanced customer focus from the Civic Centre.
5. This is the approach recommended by the Audit Commission as part of the Asset Management

Plan.

2. CONSULTATION

1. To date:-

- o Management briefing on 8 October 2002 and 4 November 2002.
- o Staff through e-mail and corporate team meetings.
- o Corporate Management team and Joint Management team.
- o Historic Cities Property Group.
- o Michael Walton Chartered Surveyors and Donaldsons.

1. Planned – above plus customers, Members, partners, and trades unions.

1. STAFFING / RESOURCES COMMENTS

1. Time Management
2. Resources – Partnering and asset rationalisation will be bring about enhanced service delivery and additional resources. There is potential – depending upon the effects of service delivery to move various agencies into the Civic Centre which could enhance the revenue position substantially.
 - o Move the Citizens' Advice Bureau from the Carlyle's Court to the Civic Centre;
1. The Property and Facilities management teams are fully stretched on other corporate priorities. There is the need to introduce some expertise in design in relation to the customer contact centre. Implementation of the recommendations in this report must reflect an appropriate timescale.
2. Office moves within a building are not dissimilar to moving house. They cause disruption and this needs to be accommodated in Business Unit Management.
3. The cost estimates outlined in this report are physical elements only.

1. CITY TREASURER'S COMMENTS

1. The various financial implications contained in the report will need to be considered as part of the current budget process for 2003/04 to 2005/06.
2. If the space allocation is to proceed in the current financial year, then it will require a request for a supplementary estimate for 2002/03 to be approved by the Council.

2. LEGAL COMMENTS

1. EC regulations designed to improve the health, safety and comfort of the home or office worker are mandatory.
2. It is the duty of the employer to ensure that every workstation – including those used at home – is assessed and a record kept of the details. Minimum standards relating to the operation of the workplace must be adhered to in order to meet the directive. These include:
 - o Equipment not to be a source of risk for workers.
 - o VDU screens – must swivel and tilt easily and freely.
 - o Characters on the screen shall be well defined.
 - o The space in front of the keyboard shall be sufficient to provide support for the hands and arms.
 - o Desks must give adequate working space and be of a comfortable height to allow proper leg movement.
 - o Chairs must be comfortable for the individual and height adjustable.
 - o Workstations shall be dimensioned and designed so as to provide sufficient space.
 - o Satisfactory lighting conditions shall be provided.
 - o Noise levels should not distract attention or disturb speech.
 - o Software must be suitable for the task.

1. CORPORATE COMMENTS

1. A corporate group was established for this exercise.
2. The Customer Contact Best Value Review and Revenues / Benefits possible way forward affect space planning. Reports to Members are being prepared for the 19 December Executive.

2. RISK MANAGEMENT

1. Failure to plan ahead, maintain and modernise premises can affect an organisation.
2. If this report is not agreed, the physical alternatives to implement the Council's restructure / new

approach to customer contact will not be implemented.

3. A feasibility study for the customer contact centre will bring creative intelligence to help the process.

3. EQUALITY ISSUES

1. The Disability Discrimination Act needs to be fully complied with for Council buildings. The Civic Centre complies but there is always room for better customer facilities.

4. ENVIRONMENTAL IMPLICATIONS

1. The Council's space allocation per employee has become too low – the Council has a duty to lead the community and its employees.
2. There is considerable research which concludes that good design in the workplace environment empowers and motivates staff to a high degree.
3. Buildings advertise an organisation. The Civic Centre is particularly prominent as a Carlisle landmark. In particular, the customer interface requires thought and planning to promote the Council as a modern, outward looking organisation.
4. The environment around the Civic Centre – from appropriate access facilities for the disabled and elderly, to creating a business and community quarter in Carlisle – links to many of the Council's corporate objectives, including its core values of:-

- | | |
|--|----------------------------|
| • Putting customers first. | • Being sustainable |
| • Valuing staff | • Working in partnership |
| • Achieving equality | • Striving for improvement |
| • Being an open and accountable organisation | • Managing effectively |

1. Open plan offices provide one of the most effective working environments, resulting in enhanced performance and loyalty. To achieve a beneficial working environment, it is vital that the furniture is flexible enough to meet the individual needs of each worker and be adaptable to changing working activities.
2. Today's business environment is constantly changing and developing. The Council has good working practices which are evolving to match changing needs and requirements: changes such as flexi-time, the creation of team working, the introduction of call centres and home working. Therefore the working environment needs to be well planned, flexible and attractive.

1. CRIME & DISORDER IMPLICATIONS

1. Good design reduces crime.
2. The Police are a possible partner.
3. Staff need to be safe at work.
4. Customers need to visit in a safe environment.

2. RECOMMENDATIONS

1. The first principles outlined in the report be agreed;
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3. A supplementary estimate / 2003/4 budget allocation of £250,000 be released to cover:

1. A feasibility study into the design and costing of a customer service centre;

2. Building and facilities works at the Civic Centre to accommodate other Business Unit changes;

4. A supplementary estimate for works to create a customer service centre will be sought during 2003/4, once the costs are known;
5. That consultation on the contents of this report takes place with staff, trade unions, all Members and partners for comments;
6. That the space allocation and Business Unit locations as outlined in this report be approved in principle, subject to consultation.

3. REASONS FOR RECOMMENDATIONS

1. To implement practical measures as part of appropriate Best Value Reviews.
2. To implement the Asset Management Plan – benefits: