



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Corporate Accommodation Strategy Update
Date:	19 April 2013
Reporting Officer:	Gerry Millar, Director of Property & Projects, Ext: 6217
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1	Relevant Background Information
1.1	The Strategic Policy & Resources Committee of 8 th June 2012 agreed that an economic appraisal and options report was undertaken in respect of the Council's office accommodation in order to recommend a way forward for development of a Corporate Accommodation Strategy for the Council with further reports to be brought back to Committee. Following this a significant amount of work has been undertaken by officers to collate the necessary baseline information across the Council's property estate (floor areas, desk layouts, annual running costs, condition and maintenance reports, asset values and Lease details etc)
1.2	CIPFA Property have been appointed to provide an initial analysis of the Council's existing office accommodation and provide high level recommendations on the development of an accommodation strategy.
1.3	Following completion of this initial stage of analysis CIPFA Property will provide the Council with a range of options that, following further Committee decisions to proceed, will inform a second and more detailed stage of work that would analyse working practices, ICT etc and provide a property solution based on a full business case.
1.4	CIPFA Property have been briefed on the main drivers for developing this strategy previously considered by Members at the June 2012 committee meeting and in particular the need to demonstrate efficiencies together with provision for additional accommodation requirements arising from RPA.
1.5	At a previous Strategic Policy & Resources Committee meeting on 24 th September 2010 it was agreed to re-establish a Member's Accommodation Working Group which met only once on 25 January 2011 whilst further work

	was undertaken to establish baseline data in respect of the Council's current office stock comprising 10 properties.
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2	Key Issues
2.1	CIPFA Property were provided with the baseline information on the existing office buildings together with relevant staff numbers at each location, and have completed site visits to all of these Council's properties that accommodate in excess of 1,000 office based staff across all 6 of the Council's Departments. CIPFA Property have also conducted interviews with key Council officers in order to undertake the initial stage of analysis.
2.2	CIPFA Property's initial report will provide Council with a range of high level accommodation solutions based on both Workstyle Solutions (explore new modern way of working aimed at improving efficiency and optimisation of space utilisation) and Estate Solutions (retaining existing working methodology but to explore potential to improve efficiency and space utilisation) Upon completion of this initial stage a further report will be taken to the June Strategic Policy & Resources Committee to decide on progression to the second and more detailed stage of work.
2.3	Either of the high level solution styles will consider and explore existing, new or replacement building stock in consideration of implementation options for the Corporate Accommodation Strategy. Whilst it is proposed that currently owned Council assets such as Maysfield, Gasworks Northern Fringe and Ormeau Avenue site etc are included for consideration in delivery options other available private sector properties/sites will be considered following a comprehensive site search of the market by a local agent.
2.4	The timeline for delivery of the Corporate Accommodation Strategy is primarily driven by break options contained in the Council's leased office premises (Lanyon Place and Adelaide Exchange) which provide the Council with the opportunity to vacate these leased premises, without a financial penalty, by 1 st January 2017 and 31 st August 2017 respectively.
2.5	In order that break options can be exercised both Leases require 12mths written notice to be given to the landlords which means that Council have to have decisions in respect of the Corporate Accommodation Strategy taken in advance of giving such notices (31st December 2015 being the earlier of the two notices required for Lanyon Place) in the knowledge that replacement accommodation will be ready for occupation by staff vacating existing leased premises commencing from 1st January 2017 .
2.6	It is anticipated that any solution requiring provision of alternative office accommodation would necessitate an investment decision by the Strategic Policy & Resources Committee by the end of 2013 thereby providing sufficient time to procure and deliver the new office premises (either new build or refurbished buildings)

3	Resource Implications
3.1	<u>Financial</u>

<p>3.2</p> <p>3.3</p>	<ul style="list-style-type: none"> • Cost of the initial stage of CIPFA Property analysis is £11,850 plus VAT and expenses. • Additional cost for a potential second stage which depends on future Committee decisions. • The full financial implications are unknown at this stage and will be dependent upon the outcome of the Corporate Accommodation Strategy and the nature of the investment decision. <p><u>Human Resources</u></p> <p>Staff resources in Estates Management Unit and across the Council required to assist CIPFA Property in collating the necessary information for timely completion of their report.</p> <p><u>Asset and Other Implications</u></p> <p>None at present but, depending upon further Committee decisions, there may be future rationalisation of the Council's current office accommodation stock and potential impact upon the Corporate Landbank assets should the Council develop one of its own non-operational sites.</p>
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4	Equality and Good Relations Implications
4.1	There are no equality implications.

5	Recommendations
5.1	Members are requested to note the report and to decide whether the Accommodation Working Group is re-established or if Members are content to have further reports brought back to the Strategic Policy & Resources Committee with regard to development of the Council's Corporate Accommodation Strategy.

6	Decision Tracking
Director of Property & Projects to bring a further Corporate Accommodation Strategy report to the June 2013 Strategic Policy & Resources Committee following completion of the initial stage of CIPFA Property's analysis.	

7	Key to Abbreviations
RPA – Review of Public Administration	