Appendix 2

Cheltenham Borough Council
Office Accommodation Strategy
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1.0 Introduction

1.1 This accommodation strategy focuses solely upon the Borough Council activities housed in the Municipal Offices located on the Promenade in Cheltenham. It excludes the Municipal Depot on Swindon Road, as that site has specialist functions not suited to the town centre, and has in any event recently joined certain operating options with a neighbouring authority. Additionally the analysis recognises the current separate location of Cheltenham Borough Homes as a distinct separate but wholly owned function of the Borough Council. Other town centre operations, such as the Art Gallery & Museum and Town Hall have also been excluded from this assessment.

1.2 The Municipal Offices have been the administrative heart and seat of local democracy for the town since 1916 when the initial 7 but ultimately 13 town houses were converted for office use. Thus the current building has housed the Municipal Offices for longer than most Cheltenham residents can remember; its history, iconic façade and location overlooking the Long Gardens and the Promenade make it unique amongst the County’s local government family of authorities. The building itself is part of a longer Regency terrace fronting the Long Gardens and The Promenade and is listed grade 2. In essence it is an amalgamation of several former homes that were adapted for office use.

1.3 Over the intervening years strenuous efforts have been made to both maintain the fabric of this listed structure and equally install the necessary facilities and technologies anticipated of a modern corporate building. Despite these efforts questions have been raised over the suitability of the building to meet the demands of a modern democratic service with additional challenges presented by the demands of the Disability Discrimination Act (DDA).

1.4 The Council faces the on-going challenge of demonstrating further efficiencies in the delivery of its services, however many of the usual techniques employed by similar organisations such as open-plan and group working are not deliverable given the current constraints of the building. If real in-roads are to be made to balancing a budget in ever tightening circumstances then the office base, and associated IT infrastructure, have to be made to be an enabler rather than an inhibitor to those efficiencies. In pursuit of this CBC has already established a Working Flexibly Project.

1.5 The Council core ambitions as set out in its strategic plan are noted in section 2.1 below and this accommodation strategy aims to help in the pursuit of those goals.

1.6 Early work on the Civic pride project identified that relocating the council function to an alternative location would create an opportunity for the existing site. By definition of its unique location this could provide an uplift and economic multiplier effect for the town if the site were to be reutilised for a higher value use.
2.0 Background/Context

2.1 Any strategy needs to reflect the Council aims as set out in the current (September 09) public consultation exercise
- Promoting community safety
- Promoting sustainable living
- Promoting a strong & sustainable economy
- Building healthy communities and supporting older people
- Building stronger communities and supporting housing choice
- A focus on children & young people
- Investing in environmental quality
- Investing in travel & transport
- Investing in arts & culture

2.2 Equally any accommodation strategy for Cheltenham Borough Council must recognise the existing tiered structure of local government within Gloucestershire and potential changes that could impact upon those structures into the future.

2.3 It is therefore critical that certain key parameters are pursued in order not to blight any future options through the decision making process.

Key amongst these will be:-
- preference for freehold premises such that future destiny remains under direct control of the decision making authority although this would not automatically preclude an interim lease arrangement if advantageous to a longer term goal;
- the need for flexible space that can adapt to changing work patterns and staffing numbers and emerging technologies;
- the ability to address accessibility issues for residents and visitors to the offices;
- the desire for the Borough Council or its successors in title to have a “presence” within the perceived heart of the town;
- demonstration of commitment to community aims or creation of an environment that supports the delivery of those aims.

2.4 The strategic context for relocating is strong given the opportunity for the regeneration of the western side of the Promenade and the regeneration of Royal Well. The Promenade is one of the most attractive shopping streets in the country, but needs to be enhanced if Cheltenham is to improve its position as a retail and cultural destination against strong competition. In particular, an appropriate form of development of the Municipal Offices will act as a catalyst for the renaissance of the western side of the central section of the Promenade whilst preserving the architectural integrity of the Grade 2 Listed Building. Whilst Some members have expressed concerns about the potential loss of formal civic activities in front of the existing Municipal Offices if the offices were to be moved, there is no reason why it would not be possible to design in continued use for Civic events such as Remembrance Sunday in order to ensure that the War Memorial remain central to the municipal and ceremonial life of the town.
2.5 The rear of the Municipal Offices building is architecturally disappointing and represents poor use of prime town centre space. However, the plan to divert through traffic away from Royal Well Road, which is partly in borough council ownership, provides an opportunity for substantial development. Moving the bus station to an alternative town centre site also supports this opportunity to create an attractive space in a key town centre location. At the same time it creates the momentum to lift out of obscurity one of the best examples of Regency architecture that the town has to offer in Royal Well Terrace as well as enhancing the setting of the internationally recognised Cheltenham Ladies College.

Once through-traffic is diverted, the value of the Municipal Offices’ site could be maximised by enlarging the footprint to the Royal Well elevation. The potential linkage to the development of Chapel Walk also adds further choices and potential value. This would reflect positively on the role of the Council as a place shaper in the heart of the town.

2.6 The council has declared its vision for the council through the Sustainable Community Strategy. More recently the Council has declared its intention as “working together to create a great future for Cheltenham”. It now includes a specific business plan ambition to “create a flexible, confident and forward thinking organisation – capable of meeting the challenges it faces – where we all feel we can make a difference”.

2.7 A new building in itself cannot deliver organisational/cultural change but it can lever change both in symbolic and practical ways. For example, the reference earlier to more modern ways of working, embracing new technologies such as mobile/flexible working not only improve the customer experience but increase the attraction of the council as an employer of choice and improved work-life balance. This is covered in more detail in section 4.0 The ability to work flexibly has implications for how performance is managed and calls upon managers to operate in a more remote manner than is traditional whilst still maintaining levels of motivation, performance and team engagement.

The potential move to a new building also provides an opportunity for the council to consider co-location with other partner organisations allowing all parties to look at how services are delivered in a different way, with the customer being at the heart of service delivery. This has further opportunities for staff development potentially across organisational boundaries at the same time as services being more efficiently provided and merely reflects the shared services approach already being adopted.

3.0 Existing Estate Audit

3.1 The current Municipal office building is set over 4 floors and totals 7009m² gross internal area. The majority of the building relates to the initial Regency build period although there have been a range of unsympathetic extensions to the rear such as the 1950’s Council chamber.

3.2 CBC own the freehold of the site and the building itself is debt-free.
3.3 The building is listed and as a consequence the opportunities for adaptation are extremely limited – see floorplans from which one can identify the original 13 dwelling units. For this reason it is arguable that it is no longer fit for purpose given the need for reorganisation; added to this is the inability to achieve significant space efficiencies from within the existing gross internal area as many walls cannot be removed either as a result of their load bearing capacities or listing. Its internal layout does not facilitate new working methods, such as flexible workspaces, open-plan offices, hot-desking, adequate meeting and break-out areas. Its cellular office structure is very inefficient in terms of floorspace whilst its Listed Building status prevents significant internal re-organisation or external alterations, for instance to improve accessibility, or to assist culture change. There is one staff rest room situated in the basement and no informal meeting spaces.

3.4 The DDA poses significant challenges and whilst comfort can be drawn from the fact that changes have been made where possible. The Borough is therefore reasonably protected in the legal perspective, however, it raises the fundamental question over the appropriateness of a building which can only permit access for the wheelchair bound or ambulant disabled by requiring them to travel over 400m from the front to the rear of the building. This equally challenges the extent to which the Council wishes to be perceived as a customer focussed organisation.

3.5 The Council Chamber itself which is arguably the functional heart of local democracy is again not particularly accessible and critically has a layout reminiscent of times gone by. The public are physically separated from the Councillors thus accentuating the divide and creating an intimidating and unwelcoming environment. A level space that was adaptable to allow for a series of small meetings or a full Council meeting would not only be more efficient in space terms but critically would genuinely improve the intimacy between the elected and electors. Equally such spaces could be used for other organisations should the need exist. Generally Member facilities are inadequate and do not meet the demands of the general public, particularly from a visual and audio perspective.

3.6 The concept of shared services and “hub” style developments are increasingly common and CBC could utilise any accommodation strategy as an opportunity to embrace such partnership working within any outputs. The Joint Core strategy room (B33) is demonstrable proof not only of the efficiencies that can be achieved through effective design but also the value of utilising space productively with partnership agencies.

3.7 Annual running costs (based upon 2008/09 actuals) are c£275k p.a. which equates to £47m² for actual usable space. These costs cover the following headline items:

- National Non Domestic Rates (NNDR) £102k
- Cleaning £80k
- Electricity £60k & Gas £18k
- Security £9k
- Fire £3k
- Lifts £3k
The building secured an energy performance rating of D which is laudable given its age but offers little scope for improvement and equally is difficult to regulate thus is often perceived as being too hot in summer and too cold in winter.

However in addition to the running costs must be added maintenance which due to the age of the building always results in a backlog maintenance schedule. The current annual maintenance budget is £258,000 however the twenty year maintenance programme projects a need to spend almost £3,500,000 on the Municipal Offices or £599m² over the period. This position will be validated shortly with the completion of an external condition survey. It is critical to recognise that such a spend does not improve the flexibility of accommodation but simply maintain existing floorplates and layouts. Running costs and maintenance combined require £518k pa or £89 per m² net internal area.

3.8 A space utilisation exercise carried out in the autumn of 2008 identified that there was significant oversupply of space against public sector norms within the building arising from a range of factors, not least the movement of certain teams to separate locations eg highways staff to GCC and housing staff to CBH. Inevitably, in the absence of a space norm or an imperative to seek space efficiencies much of the space generated by these movements has been “absorbed” by staff and teams expanding their occupational zones which by definition have simply increased the running cost per person within the building.

3.9 New styles of working supported by the relevant IT systems and connectivity provides a further opportunity to drive down the space needs of the organisation with several teams able to operate either from home or peripatetically eg building control. See section 4.0 for details of the working flexibly pilot.

3.10 The Tourist Information Centre is ostensibly well located on the Promenade but is sadly wholly deficient in terms of the DDA. Additionally an increasing volume of tourism business is now handled on-line, so it could be possible to relocate and address these challenges. Potential locations could include the ground floor of the new Art Gallery and Museum development, the Town Hall or alternatively with CBC were it to relocate.

4.0 Working Flexibly Project

4.1 The aim of the Working Flexibly project is to implement policies, technologies, skills, processes, and support which enable CBC’s services to be delivered at a time and place which suit the customer whilst providing tangible benefits for our employees.

4.2 The aims of the proposal are to:

- meet customers demands for more responsive and flexible services;
- meet employees demands for flexible working arrangements;
- take advantage of any opportunities provided by council office accommodation plans;
4.3 The project is an opportunity to deliver services in a radically different way. Whilst ambitious in scope, adopting a strategic, planned approach to flexible working will provide a corporate focus for future implementations, and ensures that benefits are planned and realised, and complements CBC strategies for accommodation, organisational development, and financial management.

4.4 The demand for providing a more flexible workforce has been already demonstrated in 2009 by providing:

- a working flexibly room in B-33, used primarily by the Joint Core Strategy team but is also available as a resource for the whole of CBC. To get the maximum out of working together on the joint core strategy, the project team, (consisting of representatives from Cheltenham, Gloucester and Tewkesbury local authorities) are now using B-33 as a project room on Tuesday and Wednesday each week. The staffs from Gloucester and Tewkesbury are also able to access their own council networks from the room.
- remote access from home to the council’s infrastructure (S, T & U drives, the intranet, Outlook, Word, Excel and PowerPoint and the intranet). Following a successful pilot by a group of officers and councillors during August and September 2009 the service has been extended to both the original group on the pilot and to other officers and councillors within CBC, Cheltenham Festivals and Cheltenham Borough Homes. The demand for this service is estimated to grow rapidly.

4.5 There have also been many other requests or ideas for improvements demonstrating practical benefits, some of which are driven by partnership working and others from improving service delivery, for example:

- Environmental Health officers returning to home rather than the office or based primarily at home;
- Internal audit partnership work with Cotswold District Council;
- Building Control mobile working and partnership work with Tewkesbury;
- Housing options officers capturing information electronically in the field;
- Hot desk environments for meetings, conferences and quiet work spaces;
- Remote access to the council’s IT infrastructure;
- Business continuity.

4.6 There are numerous case studies showing that organisations similar to CBC can achieve substantial benefits from flexible working. For example NOMAD (the centre of excellence for flexible working in local government, http://www.projectnomad.org.uk/) and SOCITM (Society of IT Managers, http://www.socitm.gov.uk/) report relevant examples from Salford City Council, Rushcliffe BC, Surrey CC, Hampshire CC, Test Valley BC and many private sector companies.
4.7 The working flexibly project will contribute to:
- cashable and non-cashable savings;
- accommodation costs;
- improved customer satisfaction measures;
- improved staff satisfaction measures (reduced absence rates, reduced staff turnover);
- recruitment and new employee familiarisation costs, travel expenses, productivity improvements, reduced sickness absence;
- improved partnership working;
- Organisational Resilience resulting from reduced dependence on specific office locations, improved shared partnerships, plus improved business continuity;
- Environmental benefits (reduced miles travelled by staff).

4.8 The current project proposal assumes a period of several years in which our implementation of flexible working grows. It is envisaged that by April 2010 there will be 10 current office-based staff working predominantly from home and 10 current field staff returning predominantly to home rather than to the office and an additional 20 officers or councillors able to access the network remotely.

The projection for 2010/11 is that there will be a total of 80 workers (20 current office-based staff working predominantly from home and 30 current field staff returning predominantly to home rather than to the office).

4.9 The pace of growth may also need to be adapted as it is likely to be influenced by accommodation changes across the council, partnership working and the benefits service areas realise in the early stages. For example, a decision to move ahead with the relocation of the Municipal Offices would focus attention on reducing staff accommodation before a move takes place and this would be the driver for increasing the numbers of mobile, home and hot desking workers to approximately 130 by 2011/12. Working flexibly demonstrates a strong 'invest to save' business case which is reliant on funding bids being approved.

4.10 The introduction of shared services will equally identify space changes which can clearly go both ways, with either staff moving out of CBC space or alternatively staff moving in where CBC are the host. A full understanding of anticipated movement on this front is important to map the potential repercussions as demonstrated by the impact of legal services sharing services whereby 7 fte staff will leave the building, 3 remain and 2 operate across both authorities. Clearly this represents a significant technical saving but not one that is cashable (save for the marginal benefit of reduced cleaning and lower heating) as the rooms remain within the existing building. It is critical that savings such as this are utilised for the benefit of the whole organisation and not simply squandered by existing teams further extending zones under their occupational control; examples could include creating additional meeting space, offering chargeable space to other public or third sector agencies.

4.11 The debate over local government delivery models has also to be factored in. Whilst it is too early to predict outcomes and with the national opposition party ruling out any reforms it would still be prudent to identify a strategy that allowed for some flexing of staff space. The current property allows for this as
shown by the space analysis in section 5.0 but it does not allow for the change agenda and flexible working efficiencies sought. A prudent approach may be to have more office space than the de minimus requirement for CBC let on flexible terms to other organisations such that it could be reclaimed should future demands necessitate.

4.12 The working flexibly project pilots have utilised the different work strands as defined in the remote working policy established by HR. This identifies four groups of staff with different needs in addition to those that will remain office based.

<table>
<thead>
<tr>
<th>Description</th>
<th>Definition</th>
<th>Benefits – cashable or non-cashable</th>
<th>Target by 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Home Working</td>
<td>Work that is carried out on a regular basis for the whole or a significant percentage (80% or more) of the employee’s working week, at the employee’s own home which is equipped with appropriate technology. Where the frequency of home working is significant an employee will not be provided with an additional office workstation. When working in the office a hot-desk/shared desk/team space will be provided.</td>
<td>Cashable &amp; non-cashable</td>
<td>100 staff</td>
</tr>
<tr>
<td>Mobile Working</td>
<td>Work undertaken away from the main office base, that is enabled through the use of information and communication technologies, so that the employee may alternate between his/her main office base (contractual base) and other suitably equipped locations e.g. nominated CBC offices/establishments.</td>
<td>Cashable &amp; non-cashable</td>
<td>30 staff</td>
</tr>
<tr>
<td>Occasional Home Working</td>
<td>Work which is carried out, typically on an ad hoc basis, at home to do a particular piece of work. The employee would retain a dedicated office workstation at their normal place of work or other desk sharing arrangement dependent on team arrangements. However, they would not be provided with the same level of IT and other support in the home environment.</td>
<td>Non-cashable although pilot recognises a 5% productivity saving</td>
<td>Unspecified</td>
</tr>
<tr>
<td>Hot desk, shared desk, team space</td>
<td>A desk provided at a recognised location for employees to share at different times. The location of hot desks will depend on the nature of the employee’s duties, the need to work with other team</td>
<td>Non-cashable</td>
<td></td>
</tr>
</tbody>
</table>
Whilst the project has been driven from the centre it has inevitably identified a range of early adopters across the organisation who are now eager to be involved in the next phases. Some teams even going so far as mapping their generic requirements in order that IT support are able to look at the next tier by tailoring responses to specific individual/personal requirements.

4.13 Another factor that needs to be considered is the sustainable impact on delivery changes both in the sense of diminishing travel journeys and also reducing staff demand for parking spaces; particularly relevant with the implementation of a travel plan and inevitability of charging regimes.

4.14 For this project to progress and in order to validate any assumptions built into the accommodation strategy it requires two further elements of analysis:

- a department by department analysis of which staff on a post-by-post basis would fall in to the categories identified above. This is critical as the target numbers noted above were best guestimates a year ago and now need formally validating.
- IT support to develop a cost effective range of options/emerging technologies so that both teams and individuals within teams can have IT solutions tailored to their specific job needs.

5.0 Space Need

5.1 It is important to recognise that the efficiency with which space is used is subject to several, often conflicting, factors:

- Work processes and practices;
- Need for growth or spare capacity to accommodate organisational change;
- Difficulties imposed by building configuration and servicing;
- Culture of the organisation and critically the willingness to embrace flexible working styles;
- Nature and number of visitors;
- Provision of technology to support “smarter” working;
- Impact of targets on workplace efficiency and sustainability.

5.2 Thus the amount of space likely to be required for CBC will need to reflect a number of variables, some known and some unknown – number of staff and future projections from manpower plan, target space \((\text{m}^2)\) per person, extent of on-site storage, nature of Civic space, commitment to flexible working, future organisational culture, future visitor predictions.
5.3 The table below identifies space as currently utilised in the Municipal offices:

<table>
<thead>
<tr>
<th>Space Type</th>
<th>Basement</th>
<th>Ground Floor</th>
<th>1st Floor</th>
<th>2nd Floor</th>
<th>3rd Floor</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office space</td>
<td>595.7</td>
<td>601.08</td>
<td>675.6</td>
<td>585.83</td>
<td>647.21</td>
<td>3105.42</td>
<td>53</td>
</tr>
<tr>
<td>Plant</td>
<td>104.5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>104.5</td>
<td>2</td>
</tr>
<tr>
<td>Storage</td>
<td>341.3</td>
<td>77.63</td>
<td>18</td>
<td>52.68</td>
<td>42.12</td>
<td>531.73</td>
<td>9</td>
</tr>
<tr>
<td>Toilets</td>
<td>67.5</td>
<td>47.2</td>
<td>44</td>
<td>33.5</td>
<td>33.1</td>
<td>225.3</td>
<td>4</td>
</tr>
<tr>
<td>Circulation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>space</td>
<td>257.2</td>
<td>201.1</td>
<td>245.77</td>
<td>183.4</td>
<td>163.97</td>
<td>1051.44</td>
<td>18</td>
</tr>
<tr>
<td>Meeting rooms</td>
<td>43</td>
<td>358.9</td>
<td>32.9</td>
<td>12.96</td>
<td>22.68</td>
<td>470.44</td>
<td>8</td>
</tr>
<tr>
<td>Training rooms</td>
<td>54</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>54</td>
<td>1</td>
</tr>
<tr>
<td>Kitchen</td>
<td>21.9</td>
<td>21.2</td>
<td>5</td>
<td>12.6</td>
<td>24.44</td>
<td>85.14</td>
<td>1</td>
</tr>
<tr>
<td>Public Space</td>
<td>0</td>
<td>177.7</td>
<td>0</td>
<td>39.25</td>
<td>0</td>
<td>216.95</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>1485.1</td>
<td>1484.81</td>
<td>1021.27</td>
<td>920.22</td>
<td>933.52</td>
<td>5844.92</td>
<td>100</td>
</tr>
<tr>
<td>NET GIA</td>
<td>1921</td>
<td>1788</td>
<td>1202</td>
<td>1048</td>
<td>1050</td>
<td>7009</td>
<td></td>
</tr>
<tr>
<td>Space Lost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From Structure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(walls)</td>
<td>435.9</td>
<td>303.19</td>
<td>180.73</td>
<td>127.78</td>
<td>116.48</td>
<td>1164.08</td>
<td></td>
</tr>
</tbody>
</table>

*All areas calculated in m²*

A key message from this table is that the gross to net ratio represents a loss of 16.6% of the floor space; this is a result of the cellular nature of the building and is not uncommon in buildings of this age. Equally this space whilst seemingly generous is actually of the wrong shapes and configurations thus whilst there are many offices with very generous space allowances per individual, there is always seemingly demand for more meeting space and only limited social space available.

5.4 There is no universally accepted office space norm however a good starting point is the IPD Occupiers Efficiency Standards for Office Space: A Report to Office of Government Commerce. [http://www.ogc.gov.uk/documents/Efficiency Standards for Office Space.pdf](http://www.ogc.gov.uk/documents/Efficiency Standards for Office Space.pdf)

Whilst published in 2007 much of the research was based upon earlier data and there is an argument that flexible working is driving down work space norms.

The IPD report identifies a standard at 12m² per person based upon net internal area although the report notes that the private sector already operates at a norm of 10-12m² per person and added to this more recent technological advances then it is clear that the target is moving towards 10m² per person.

Space per person is used as a proxy and essentially allows the organisation the choice of manipulating either space per workstation or people per workstation.
It is also worth noting that the private sector on average provides 15% more meeting space per person than the public sector despite operating at lower space budgets per person. Based upon satisfaction data meeting room provision should be between 0.7 and 1.2m² per person.

Currently the Municipal Office at 5845m² could support either 487 persons on a headline figure of 12m² per person, however it must be recognised that there are some abnormals in the space notably public and Councillor space at 217 and 358m² respectively. Equally we know that the building characteristics of the Municipal Office is one of the greatest barriers with an extremely high incidence of cellular space, which in itself is a reflection of the building age.

5.5 Staff numbers as at autumn 2008 were 297 individuals equating to 260 full time equivalents. For modelling purposes this has been rounded to 300 until the manpower plan is validated.

5.6 One can build the model in two different ways, either generically or on a build-up basis. Generically if one allows 12m² per person it gives a requirement of 3600m² based upon 300 staff to which one would add the public space at 217m² and Councillor space at 358m² giving a new requirement of 4175m² but this is before one considers further potential for savings as noted in 5.7 (i) and 5.8 below.

5.7 Indicative analysis highlighting two specific areas demonstrate how space savings could be achieved on a hypothetical basis:-

(i) The ground floor plan identifies a Council chamber @ 193m², 4 meeting rooms totalling 140m² and a Councillor room of 25m². Total 358m². If this were to be in a building with a flexible footprint it could be argued that with movable partitions it would be possible to create spaces of 50/50/50/20m² which would open up to create a single chamber of 200m² on the days when full council in session. Potentially saving 158m² or 44% of the current space requirement.

Whilst the Council chamber itself has a certain presence its utilisation is poor and is often “booked” for longer than anticipated to ensure that the space is up to an acceptable temperature. October 2009 bookings data identifies an 18% utilisation.

(ii) First floor senior executive suite houses 3 senior staff in 3 rooms totalling 82m² and support team in 4 rooms totalling 57m² - overall total 139m². A more efficient footplate could result in a single support office/visitor reception (say 40m²), small personal offices given the extent of 1:1 meetings (say 3 @ 10m²), and two meeting rooms (also available for wider use on a booking basis) of say 25m² and 15m². Net result a saving of 29m² (21%), more efficient communication, more open style of management with other staff able to access meeting rooms.

5.8 If the projections provided by the Working Flexibly team noted in 4.9 above, come to fruition, then by 2011/12 there could be 130 staff regular home working or mobile working (with attendant hot desk requirements). Working on the basis that such staff will still require “docking” space, storage and access to meeting rooms it is reasonable to provide a requirement c50% of their permanent based colleagues ie 6 m² based upon the IPD analysis. An alternative way at looking at this is that one workstation will be shared by
more than one person. This figure could be driven down to say 30% (3.6m²) per person if the home working operates as predicted. Thus the requirement would become 170 staff at 12m² plus 130 staff at 6 m² giving a total requirement of 2040+780 = 2820 plus abnormals noted in 5.4 above at 575 m². Net result is a space need of 3395m².

5.9 Working on the precautionary principle that not all savings predicated will be delivered and also recognising that organisations never claim to have sufficient storage a final outcome recognising potential space savings, the impact of flexible working and equally improving facilities could calculated as follows:

- 200 staff @ 12m² and 100 staff @ 6m² = 3000m² This would include a meeting space allowance of 300m²;
- Public space and Council meeting space = 575m² as is but could potentially be reduced to 400m.

Total space need on a headline analysis thus falls in the range of 3400 - 3575m².

5.10 If such a model is felt to be too basic it is possible to build the model up from base rather than working on generalised metres per workspace /employee or sector averages. This would generate space as follows:

<table>
<thead>
<tr>
<th>Zone</th>
<th>Comments</th>
<th>Target Space m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office space</td>
<td>200 staff at 6m² per workstation and 100 at 30-50% of allowance</td>
<td>1380 - 1500</td>
</tr>
<tr>
<td>Meeting rooms</td>
<td>1.2m per person x 200 and 0.6m x 100</td>
<td>300</td>
</tr>
<tr>
<td>Storage, mail room</td>
<td>This will depend upon extent of external archiving but currently 531m but is a very expensive way of holding records. Propose c5% of overall floorspace.</td>
<td>165 - 180</td>
</tr>
<tr>
<td>Toilets</td>
<td>Based on HSE norms and assuming gender balance then 8-9 female toilets and washbasins and 8 male toilets &amp; washbasins required. Currently 28 cubicles within the building including leaders’ suite plus 2 accessible</td>
<td>170</td>
</tr>
<tr>
<td>Kitchens</td>
<td>Layout of existing building necessitates duplication each side of main stairwell on most floors. Without the building restrictions one could have tea points located in work zones with a centralised rest facility/kitchen</td>
<td>110</td>
</tr>
<tr>
<td>Rest rooms</td>
<td>See above</td>
<td></td>
</tr>
<tr>
<td>Plant rooms, vertical ducts, lift rooms</td>
<td>Figure will depend on extent of air handling vs natural ventilation – between 2.5 and 4 % of gia say 3.5%</td>
<td>115 - 125</td>
</tr>
<tr>
<td>Abnormals</td>
<td>Reception plus accessible toilet provision – higher than a standard office building</td>
<td>200</td>
</tr>
<tr>
<td>Abnormals</td>
<td>Council meeting rooms</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>2640-2785</td>
</tr>
<tr>
<td>Circulation</td>
<td>Normal allowance is 25% of total</td>
<td>660-700</td>
</tr>
<tr>
<td><strong>Grand Total NIA</strong></td>
<td></td>
<td>3300 -3485</td>
</tr>
</tbody>
</table>
5.11 The key point is that irrespective of the route chosen to establish space need the answers generated are very similar with the lowest figure being 3300m² and the highest 3575m². A minimum saving of 2269m² based upon net internal area or in simplistic terms more than the second and third floors of the existing building.

5.12 To contextualise further at a target of 3500m² and allowing for 400m² of abnormals would provide 3100/300 = 10.33m² per person.

5.13 One of the key messages from the array of work undertaken in this area is that standards or guidelines for space efficiency have not simply been used to squeeze space but used more creatively in a change management context to change the way that people work. Thus lower space allocations per person are achieved by introducing greater flexibility in people’s working patterns and by creating a more diverse range of work environments, with meeting rooms and more collaborative social and informal spaces.

6.0 Options Analysis

6.1 The options open to the Council are as follows :-
- Remain in situ but seek space & efficiency savings eg close floors of building and offer space to third parties or reduce the extent of the terrace through a disposal;
- Provide a front of house service in the town centre with all other functions relocating to a cheaper less central location;
- Move to an alternative central site that could either be smaller if only housing the Council function or similar in size if it were to operate as a hub with other agencies. This option has two sub-options representing a new build or the refurbishment of an existing site.

6.2 It is questionable whether the first option would generate the savings sought and/or whether it would break the “me and my desk” culture. Equally it does not deal with the inherent customer access issues particularly DDA access or the difficulties of internally reconfiguring a listed structure.

6.3 The second option is feasible subject to the technological infrastructure allowing the splitting of front of house to back of house demands.

6.4 The latter option raises the possibility of the “hub” concept as deployed by other authorities. Examples include:
- several authorities working together through a single access point to co-ordinate responses from the public eg Worcestershire Hub (which provides members of the public access to a wide range of both district and county council services accessed through a network of local customer service centres or by telephoning the Worcestershire Hub; a solution not without its critics).
- an aggregation of functions to secure either economies of scale, easier access or mutual benefit eg Norfolk & Norwich Millennium Library facility located at The Forum – this is home to several organisations including Tourist Information, BBC Radio, City Learning Station / City College Norwich, Pizza Express as well as the state of the art Norfolk & Norwich Millennium Library and is a focus for a wide range of learning and cultural activities in the centre of Norwich.
6.5 The potential co-location partners for CBC if a Norwich model were pursued could include the Police (who have identified a need for 750m²), Library, educational partners – University and Further Education College, and voluntary sector organisations as well as commercial operators; all of whom could contribute by bringing footfall and vibrancy and equally contributing to overheads.

6.6 Other partners could be Cheltenham Borough Homes given their current flexible lease arrangements or Gloucestershire County Council given their current Countywide accommodation review. Whilst CBH would not wish to be reabsorbed and lose their “independent” status or identity, this could be achieved by them having either a dedicated entrance or floor area although worth noting that most tenants do not as a matter of course visit CBH HQ but the neighbourhood offices. Their space needs based upon their Cheltenham House HQ and staff in poor quality accommodation at the depot would total 470m² + 144m² = 614m². CBH Cheltenham House space is entirely office provision with the exception of a Board/meeting room and a training room, although the potential for sharing such facilities through co-location would generate further efficiencies. The position with GCC is more complex and will be dependent upon whether they select a centralised or disparate operating model.

6.7 The home of the Tourist Information Centre also needs to be considered but as it currently only occupies 118m² or 2% of the net internal floorspace it should be absorbable in any of the options.

7.0 Funding Issues

7.1 The original concept was to release the Municipal office for future development by utilising funds from the Regent Arcade disposal to build a new office block on Portland Street. This disposal will not happen in the immediate future so reduces a direct procurement option unless prudential borrowing is considered or a mixture of an agreed deal on the MO and the sale of North Place.

7.2 An alternative model is to consider taking the Municipal office and Royal Well sites to the market (having first completed all due diligence issues) with two options; either stand-alone or as a “turnkey” proposal with any successful bidder identifying and supplying CBC with an alternative home.

7.3 Seek alternative sites either new build or refurbishment and attempt to acquire the site based upon say a disposal of North Place/Portland Street and the existing Municipal office.
8.0 Risk Analysis

8.1 The following items need to be noted as risks that would result in non-deliverence of the space and efficiency savings sought:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mismatch of space and staff</td>
<td>Validate Manpower plan</td>
</tr>
<tr>
<td>Over estimate of flexible working outcomes</td>
<td>Need for every department to validate preferably on a post-by-post basis the target numbers for the working flexibly project. Need to establish an agreed costed programme for the roll-out of new technologies. Need to map &amp; “tailor” IT services to both teams and individuals from a generic suite of technological solutions.</td>
</tr>
<tr>
<td>Inability to demonstrate all space savings</td>
<td>Undertake trials now eg action more office sharing to create more meeting rooms. Identify a &quot;space champion&quot; who will control all space allocations against an agreed set of criteria, ie not departmental heads “fighting” for resources for their teams. Fully model and trial less on-site archive – not necessarily moving off site now but demonstrating that it can be achieved</td>
</tr>
<tr>
<td>Any move predicated upon closure of Boots corner</td>
<td>Pro-active working with Glos highways on traffic modelling and/or trials</td>
</tr>
<tr>
<td>Inability to find suitable alternative accommodation within the options identified</td>
<td>Maintain as many options as possible both on &amp; off market</td>
</tr>
<tr>
<td>Funding</td>
<td>Maintain as many options on as many sites as possible while the market recovers. Outcome linked to value of existing Municipal office. Undertake thorough research on all risk items for OJEU process; with 2 strand approach – MO alone and turnkey with new CBC home.</td>
</tr>
<tr>
<td>Political buy-in</td>
<td>Assuming executive support need to demonstrate space and cost saving opportunities</td>
</tr>
</tbody>
</table>

9.0 Conclusion

9.1 Whilst any relocation will inevitably be a “big bang” approach there is clear evidence that the journey towards that change has already started and is being both actively encouraged by certain teams and actively demanded by other various work groups. It is important that this evolution and continuous change programme be maintained and possibly accelerated in order to lay the foundations for any relocation in terms of work practices and cultural impacts.
9.2 As many of the savings envisaged can only be achieved by an alternative layout the case for relocating becomes very strong. The model of which relocation type ie single move or separation of front & back of house would be influenced by the availability of alternatives which is why all options need to be pursued, both on & off market.

9.3 Any relocation must also align with the community strategy referred to in 2.1 and the table below aims to identify the synergies.

<table>
<thead>
<tr>
<th>Strategy Aim</th>
<th>Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable living</td>
<td>Aim to demonstrate by meeting appropriate BREEAM ratings; fewer home to work journeys; potential eco exemplar</td>
</tr>
<tr>
<td>Strong &amp; sustainable economy</td>
<td>Relocation enables Royal Well development</td>
</tr>
<tr>
<td>Investing in travel &amp; transport</td>
<td>Linked to Boots Corner</td>
</tr>
<tr>
<td>Investing in arts &amp; culture</td>
<td>Potential for strengthening links to festivals provision</td>
</tr>
<tr>
<td>Stronger communities and housing choice</td>
<td>Potential co-location with CBH</td>
</tr>
<tr>
<td>Investing in environmental quality</td>
<td>Depends on relocation choice but clearly aim to improve any existing space be it surface car park or a refurbishment</td>
</tr>
</tbody>
</table>

9.4 In addition relocation will also help to deliver significant operating savings and a change in delivery culture, both of which are likely to be come imperatives given the current economic climate and need to demonstrate further efficiencies over the coming years.