



Finance & Resources Select Committee

Date:	FRSC 22 ND Feb
Title:	Estates Strategy Update
Cabinet Member(s):	Cabinet Member for Accessible Housing and Resources
Contact officer:	Sarah Murphy Brookman and John Reed
Ward(s) affected:	Amersham, Aylesbury, and Wycombe
Recommendations:	<p>Note progress on the Estates Strategy set out in the report and in particular:</p> <ul style="list-style-type: none">• Rationalisation achieved to date and savings achieved.• Key milestones achieved concerning the progress of the closure of King George V House.• The receipt of the Certificate of Immunity from Listing for New County Offices in Aylesbury.
Reason for recommendation:	The Estates Strategy has made significant progress as set out in the report and remains on target to achieve MTFP savings targets.



1. Executive summary

- 1.1 The Council's Cabinet considered the Council's wider operational office requirement and approved the Estates Strategy at its meeting on 5th January 2023. This is attached in Appendix 1. A further report was approved at Cabinet on 12th December 2023 regarding the closure and sale of King George V House in Amersham. This is attached in Appendix 2.
- 1.2 This update report covers the following:
- The progress of the Council's estates strategy, which aims to reduce the Council's property portfolio and generate capital receipts and revenue savings reflecting organisational needs.
 - The impact of the Covid-19 pandemic on the council's office accommodation and working arrangements, and the current rollout of the Council's workplace strategy.
 - The challenges and risks associated with the delivery of the estate strategy, such as the uncertainty of the property market, the availability of funding, and the alignment with the Council's wider corporate objectives.
 - The update also highlights the achievements and benefits of the estates' strategy so far, such as the letting and proposed disposal of surplus properties, the generation of capital receipts, and the reduction in annual running costs together with carbon savings.
- 1.3 The Estates Strategy programme agreed by Cabinet sets out to achieve £2.4m in revenue savings pa and a minimum capital receipt of £6m to support the Council's wider capital programme.
- 1.4 This Estates Strategy programme remains on target to achieve the original financial and operational savings, these are set out in the Finance comment in this report and the original report which is included in Appendix 1.

2. Overview of Office Estates Strategy Update

2.1 The Council's Cabinet considered the wider operational office and approved the Estates Strategy at its meeting on 5th January 2023 (Appendix 1).

2.2 The Estates Strategy update gives a summary of the achievements and results of the Council's estates strategy for the period from January 2020 to December 2023. The update includes the following topics:

- The aims and values of the estate's strategy, such as making the best use and benefit of the Council's property assets, delivering operational and financial savings, supporting service change and regeneration, and improving customer and staff satisfaction.
- The range and approach of the estate's strategy and the execution of a prioritised and phased delivery plan.
- The outputs and performance measures of the estate strategy, such as the total floor area, occupancy rate, carbon saving, accessibility, suitability, and customer feedback of the Council's operational property assets.
- The Estates Strategy update shows the council's approach to managing its property assets effectively and efficiently, in line with its corporate vision and values, and by the changing needs and expectations of its customers and stakeholders as well as organisational change post covid.

2.3 Post covid we have seen the impact of home working and the more general changes in the operation of the workplace. The Estates Strategy is being delivered and responding to those changes and the strategy is based on data collected through Service Now and direct headcounts undertaken over 18 months at each of the office locations. This has informed the Council's strategies. This collection of data has shown that the Council offices are no longer occupied or used in a way that reflects the working environment pre covid. The Council is also not seeing any dramatic changes to this landscape about our staff occupation of offices either corporately or more generally.

2.4 In the period of implementation to date the Council has achieved the following:

- Closure and letting of the Council offices at Easton Street in High Wycombe creating a revenue saving from reduction in costs and income from rent. This was a decision linked to the relocation of the County Children Services in Easton Street to new offices in the Old Library at Wycombe taken by the County Council. It was identified as surplus to requirements and a move to Wycombe Old Library was planned. Once Children's Services moved and after a short marketing campaign and through contacts realised by the Council One Public Estate programme, Oxfordshire Mental Health Teams moved into the Easton Street offices under the

terms of a lease creating both a revenue saving from the disposal of the operational estate and a rental income. Oxfordshire Mental Health Teams remain in occupation.

- Reviews of staff occupation in the period post covid showed that Wycombe Old Library was significantly underutilised. Given the immediate proximity of the adjacent Council Offices at Queen Victoria Road, a Cabinet decision was taken on 5th January 2023 to close the office, relocate staff across the road and offer the building to the market. As a result of the marketing, the building has been let to Patch a company providing neighbourhood space for work, community, and events. The nature of the business and services provided are described in more detail at www.patch.work/high-wycombe.
- The data captured post covid through Service Now, and by direct counts of staff in the office quickly showed that several floors in the New County Offices in Aylesbury could be closed making in-year savings from cleaning, facilities costs, electricity, and other savings. Surplus floors have now been closed with no residual need to re-open. The floors closed were 12,11, 8 and 7.
- Closure of offices at Capswood. The lease ends in December 2026 and there is currently no intention to either open the office again or renew the lease. The Council has had some success in letting the offices short term to secure interim income to offset operational costs. These are in the order of £141,250. Officers have engaged with the landlord over a prolonged period to take an early surrender of the lease, but the landlord is not interested in progressing discussions.
- An application for a Certificate of Immunity from Listing for the New County Offices in Aylesbury was made and the Secretary of State has approved the Certificate which will enable the Council to consider its plans for the building and the wider site without the building becoming Listed. This will also support regeneration opportunities in Aylesbury town centre.
- The Gateway in Aylesbury has been confirmed as the Corporate Headquarters and a phase 1 fit-out of the second floor has been delivered. This reflects a new operating model with discreet booths, plenty of break-out space, improved tea and coffee-making facilities and a kitchen area to support hybrid working. This has generally been very well received. Further work will be done to support a Cabinet decision on the wider rollout of the refurbishment of the offices at the Gateway on both wings. This work is planned over the coming months.

- The Council closed most of its offices at King George V House in January 2024, as part of a transference of service provision to Queen Victoria Road Offices Wycombe and the first floor of Chesham Library. The project remains on target to close fully by June 2024, achieving the anticipated capital receipt and revenue savings set out in the original report which is included in Appendix 2.
- We have made amendments to the delivery of services including operationally regarding Customer Access Points. These are set out in the Appendices, particularly about King George V house.
- All KGV IT services including main corporate network links are being relocated to other locations. This work will be completed by December 2024.
- The savings achieved through the KGVH strategy are set out in the confidential appendix 3.

3. Other options considered.

- 3.1 Other options have been considered throughout the programme; these are set in the two reports attached to this report.
- 3.2 Further reports will be developed for both the Gateway and NCO for Cabinet consideration.

4. Legal and financial implications

4a Finance Comment

- 4.1 The Estates Strategy has a £2.4m Revenue Savings target built into the Council's MTFP, to be delivered in full by 27-28.
- 4.2 To date the following savings have been delivered through estate rationalisation:
- Closure of KGVH - £1.0m pa, will be fully realised by 2025-26 following disposal.
 - Old Wycombe Library sub-letting – £0.2m pa
- 4.3 The remaining savings £1.2m of savings will come from the closure and planned disposal of the New County Offices and exiting the lease from Capswood office (lease expiry: December 2026).

Linked to the Estates Strategy, we have also:

- Sub-let the Easton Street Office in High Wycombe, which has generated income and savings on rates and utilities totalling £0.575m pa comprising £300k pa revenue savings and £275k pa rental income, contributing to Property's general rental MTFP income targets.
- Hired out our Capswood offices for Filming, with the income helping to temporarily offset void costs on empty sub-let space. To date, the letting has generated £141,250 of income.

4.4 In addition, the Capital Medium Term Financial Plan includes a Capital Receipts income target of £6m of net receipt from the sale of the KGVH site, to be delivered by 2026-27. This value is net of costs, including the costs to fit out Chesham Library with alternative office space. The Capital budget does not yet include any assumptions around NCO disposal and the cost of re-providing office space in Aylesbury, as those options are still in the early stages of development.

4b Director of Legal & Democratic Services comment

4.1 Submitted for review, awaiting feedback.

4c Section 151 Officer comment

4.1 The Council's MTFP Budget has recently been updated to reflect the timescale of delivery of Revenue savings from the closure of offices. The full savings of £2.4m will be delivered following the NCO disposal and exit of the Capswood lease. The Council's Capital Programme includes a budget for the fit-out of Chesham Library and receipts from the sale of KGVH in Amersham. Any decisions relating to the future use of NCO will be added to the Capital Programme as the closure and disposal are taken forward for a formal decision.

5. Corporate implications

5.1 This section will need to include the relevant [corporate plan](#) priority relating to this report and make reference to any other implication that needs to be taken into account including, but not limited to:

- a) Property – These are set out in this report and appendices.
- b) HR – These are set out in this report and appendices.
- c) Climate change – These are set out in this report and appendices. The carbon saving from a reduction in the operational footprint of the estate is a contribution towards the Council’s overall aims and ambitions.
- d) Sustainability – These are set out in the appendices.
- e) Equality (does this decision require an equality impact assessment) – These are set out in the appendices.
- f) Data (does this decision require a data protection impact assessment) – These are set out in the appendices.
- g) Value for money – These are set out in the appendices.
- h) Health & Safety – These are set out in the appendices.

6. Local councillors & community boards consultation & views

6.1 Local Member and all member briefings have been held and have been a key part of the delivery of the programme.

6.2 Member consultation will continue about the ongoing delivery of the programme and the new initiatives such as New Council Offices and the potential sale of King George V House.



7. Communication, engagement & further consultation

- 7.1 Communication and consultation with Members, Unions, Employee Reps and Staff has been a significant part of the programme.
- 7.2 Union and Employee Representatives have been kept updated on any proposed changes to allow them to best support council colleagues, also allowing for consultation where appropriate, to be completed as required.
- 7.3 Face-to-face and virtual meetings with staff impacted by any office closures or moves have been held providing an opportunity for questions to be raised and answered and to bring staff on the journey with us.
- 7.4 A regular drumbeat of messaging has been included within our corporate communications, keeping staff informed and updated, and has been a key part of the programme.

8. Next steps and review

- 8.1 The next steps will be the delivery of a strategy for New County Offices Aylesbury to either re-purpose, taking into account operational need or potentially for redevelopment and reprovision of operational space, taking into account how this site can also contribute to the regeneration strategy for Aylesbury.
- 8.2 Additionally the Council will seek to market the site at King George V House Amersham and complete the closure and movement of operational services to High Wycombe and Chesham Library using existing Council facilities.

9. Background papers

- 9.1 The reports are attached.

10. Your questions and views (for key decisions)

- 10.1 If you have any questions about the matters contained in this report, please contact the author of this report. If you have any views that you would like the cabinet member to consider, please inform the democratic services team. This can be done by email to democracy@buckinghamshire.gov.uk.

Appendix 1

[Work Smart Estates Strategy](#)

Appendix 1 Financial implications

Appendix 2 EqIA

Appendix 2

[King George V House, Amersham](#)

Appendix 1 King George V Amersham Future Customer Access point CAP Provision

Appendix 2 King George V Amersham Future Customer Access point CAP Provision

Appendix 4 King George V Amersham Future Customer Access point CAP Provision

Appendix 5 King George V Amersham Future Customer Access point CAP Provision

Appendix 3

Appendix 3 for Estate Strategy KGVH Implementation Costs- Confidential

