



Report to Cabinet

Date:	5 January 2023
Title:	Work Smart Estates Strategy
Cabinet Member(s):	John Chilver – Cabinet Member for Accessible Housing and Resources
Contact officer:	John Reed – Service Director for Property and Assets
Ward(s) affected:	Abbey, Amersham and Chesham Bois, Aylesbury North, Aylesbury North West
Recommendations:	

This strategy sets out for consideration a range of Officer recommendations which consolidates the Councils office accommodation to meet the £2.4m per annum revenue savings in the Councils Medium Term Financial Plan.

Council Offices at Wycombe Old Library, Wycombe

1. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing is authorised to make necessary arrangements to move staff from the Wycombe Old Library to the main Council Offices in Wycombe at Queen Victoria Road.
2. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing is authorised to appoint necessary consultants, agree heads of terms, and terms for a leasehold contract, exchange and complete on the letting of all or part of the Council Offices at Wycombe Old Library, in accordance with the financial implications and proposed revenue savings set out in the appendix.

Council Offices at Queen Victoria Road, Wycombe

3. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to reduce operational accommodation as needed to reduce operational overhead in accordance with the provisions set out in the appendix to this report.
4. The property will be kept in the existing use for the interim period pending the conclusion of the series of actions set out in this report and the appendix and known as phase 1. At the conclusion of Phase 1 a further review of the accommodation need at the Wycombe Offices will be undertaken.

Council Offices at King George V House, Amersham

5. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary consultants to masterplan the site for re development, realising the opportunity for much needed housing in the Town Centre including affordable housing. As part of the re development, consideration will be given for a future Council presence in the town to facilitate Officer operational desk space, ancillary space, meeting space including space for Planning committee meetings, Environmental Health meetings, and Community Board meetings and Community access where they are not undertaken online or virtually.
6. It is noted that for a period of time it might be the case that operations will need to be re located and temporary accommodation arranged for Council meetings and potentially interim office space for staff members. Alternatively, and where there is no obvious local need, Officers would be asked to re locate temporarily to either Wycombe or Aylesbury. The Director of Property and Assets is authorised to make such operational changes and agree associated costs. It is further noted that the disposal is at least 18 months into the future and the project will involve staff consultation regarding continued operations and

potential impact on staff that are based at the Amersham office.

7. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary consultants to progress the masterplan of the site and make an application for Planning if needed and subsequently agree terms for disposal, agree contracts, exchange contracts subject to conditions and complete on the transaction subject to a further report to Cabinet on the final business case.

Council Offices at the Gateway, Gatehouse Way, Aylesbury.

8. The Council offices have been the interim headquarters for the organisation since Unitary. It is approved as the longer-term headquarters for the Council
9. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary Consultants to consider master planning and preliminary budgeting for a potential extension and this will be considered against the options set out elsewhere in this report regarding the Councils current legacy headquarters building in Walton Street.
10. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing is authorised to appoint necessary consultants and contractors to bring forward the workspace accommodation strategy more widely at the Gateway following the recent successful pilot, in accordance with the financial implications set out in the appendix to this report.

Council Offices at Walton Street, Aylesbury known as Walton Street Offices

11. Walton Street Offices are only partially occupied. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary consultants to bring forward the site for master planning, re generation, development and possible sale.
12. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary Consultants and if required make a Planning Application, agree terms for a potential disposal, agree contracts exchange contracts and complete on a disposal, The disposal would be subject if required to conditions and subject to alternative accommodation being provided for the staff currently based in Walton Street Offices.

Potential Council Offices at Aylesbury

13. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to appoint necessary Consultants to review alternative opportunities for a smaller office in Aylesbury town centre as set out in the appendix to this report.

The Council Offices at Denham

14. The Council offices at Denham have been closed for operational use for some time. The Offices will not be re-opened.
15. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources is authorised to seek to surrender the lease with the Landlord or underlet the premises to reduce operational costs for the remainder of the term of the Lease.

General

16. The Director of Property and Assets in consultation with the Cabinet Member for Accessible Housing and Resources will bring back a periodic report to Cabinet with an update on the strategy set out in this report and the appendix not less than every 6 months for the next two years.

Reason for decision:

Data on operational usage of the Councils main buildings has been collected over a significant period of time post covid. The data identifies the opportunity to reduce the council's office accommodation, and this report considers a strategy which achieves a reduction in operational footprint based on organisational need, a reduction in carbon footprint, and achieves both a potential capital receipt and a revenue budget saving and income. Savings from the operational estate formed part of the Unitary Councils preliminary financial strategy. This report and recommendations contained herein seek to meet that initial vision.

1. Executive summary

- 1.1 This report recommends a strategy which achieves a reduction in operational estate footprint based on organisational need, a reduction in carbon footprint and will deliver potential £2.4m revenue savings and £4m capital receipts savings from the operational estate as set out in the Unitary Business Case.
- 1.2 The establishment of the unitary council created opportunities to rationalise the office accommodation inherited from legacy councils. Furthermore, in common with other parts of the public and private sector, the organisational use of office accommodation has changed significantly post-Covid.
- 1.3 The Council's Work Smart strategy has been designed to enable the organisation to maximise the benefits of flexible working, whilst ensuring that we meet the requirements of our residents and continue to drive improvements in productivity. Our desk-based teams in particular balance the benefits of working in the office and collaborating with colleagues in person, with the opportunity to work at home and reduce commuting. These arrangements have become critical to the Council's ability to attract and retain staff within a competitive labour market. Our experience of this model of working over the past two years has provided us with a good dataset about

the unitary council's need for office space, and we now in a position to bring forward proposals to reduce the size of the estate and the operational running costs.

1.4 All the Councils offices represent significant regeneration and redevelopment opportunities, and this emerging strategy establishes and looks to realise some of those opportunities. The recent, wider economic issues the Public Sector is experiencing means consolidating the estate is now even more vital.

1.5 The proposals in this paper are planned to result in:

- Walton Street Offices – close and dispose/redevelop/subject to Planning
- Gateway Office, Aylesbury – retain and confirm as the Council's HQ
- Options for a small office in Aylesbury town centre
- King George V House, Amersham – close and redevelop for housing (with consideration given to retaining a small footprint in the town, subject to further consultation with staff, and stakeholders)
- Wycombe Old Library – relocate staff to Queen Victoria Road and lease the accommodation to a third party
- Queen Victoria Road, Wycombe – retain and continue to operate in the medium term, but once the recommendations in this report have been delivered, a further report will be brought forward on the potential opportunity and future of the Wycombe Offices.
- Easton Street, Wycombe – already vacated; continue to lease
- Capswood, Denham – already vacated; surrender the lease, or generate as much income as possible. Lease comes to an end in December 2026.

1.6 If the Cabinet supports this direction of travel, detailed proposals will be developed for the individual properties which will set out the timescales for implementation

2. Content of report

Introduction

2.1 As part of the Work Smart strategy, work has been taking place to develop the estates strategy, considering office buildings based on future need, occupancy and meeting room technology. This will facilitate collaboration and a greater desk ratio. Data has been collected from a number of sources to inform the recommendations set out in this paper.

2.2 The estates strategy led by Property Services focuses on what reduced property assets we will need in the longer term to meet a £2.4m per annum revenue savings target by

2026/2027 as well as well as making the best use of the retained accommodation to support flexible working arrangements.

Occupancy

- 2.3 Two sources of occupancy have been captured to inform the strategy; a self-service check in process for employees to check into a building and occupancy headcount spot checks.
- 2.4 The data confirms that all of the Council's main buildings are underutilised. The amount of office space needed is less than half of that which is currently available.
- 2.5 The current Sq. footage is 287,655 of operational space across existing sites compared with the estimated need of 100,000 Square footage when merged. We would look to achieve a 4:1 desk ratio which is achievable based on current working patterns.
- 2.6 Further data has been captured to understand the nearest office space used by the teams. 77% of Council Officers nearest office is Aylesbury and 12% for Amersham and 8% for Wycombe. The actual data shows that occupancy is low and therefore significant consolidation is possible.

Pilot Space

- 2.7 The occupancy data alongside the agreed flexible working arrangements for 'any desk' workers enabled an office to be redesigned to pilot a greater desk ratio and to provide further evidence for a reduced office estate.
- 2.8 The floor has been redesigned to provide a more flexible space with desks, break out areas, quiet areas and booths for online meetings, 121 calls, as well as collaborative spaces to bring teams together. The new layout has been very well received by employees and has operated with an increased staff to desk ratio of 4:1, which considers the 60/40 split supporting the future estimated requirement of 100,000 square feet.
- 2.9 The space provides the flexibility to accommodate both desk-based working, and opportunities for meetings and collaboration.

Council Office Sites

- 2.10 The section below sets out the plans for each of the current main office sites and considerations for employees and services.

Walton Street

- 2.11 Post covid Walton Street Offices is only partially occupied, with the average daily occupancy only reaching around 30% of its capacity. It is recommended that the office (excluding the library which is part of Friars Square) is considered for master planning, re generation, development and possible sale. It is proposed that the Council will make

an Application for a Certificate of Immunity from Listing. This will be the subject of a separate report for a Leader Decision in February.

- 2.12 Alongside this alternative accommodation would need to be provided for the employees that are currently based in Walton Street Offices.

Gateway

- 2.13 The Gateway was made the interim headquarters of Buckinghamshire Council in April 2020, it is recommended that Gateway remains the headquarters. Following the successful pilot, a further review of available spaces is being undertaken to understand the maximum capacity of Gateway. This would support options available for the relocation of the employees based at Walton Street offices.

- 2.14 It is anticipated that another 20,000 square feet of office space will be required in Aylesbury. Following the review of Gateway, a number of options will be considered, and a follow up report will be developed. This could include an extension of the Gateway and/or a town centre presence.

Amersham

- 2.15 King George V House is only partially occupied, with an average daily occupancy reaching only 20% of its capacity. It is recommended that the site is redeveloped to support the need for housing in the town centre, including affordable housing. A provision for future Council presence in the town will be developed to facilitate business operations and will involve staff consultation. It is expected that the business plan for this will take at least 18 months.

- 2.16 It is noted that for a period of time it might be the case that operations and employees based at King George V House will need to be temporarily relocated and interim accommodation arranged for Council meetings.

Wycombe Old Library

- 2.17 Wycombe Old Library is only partially occupied, with an average daily occupancy reaching only 30% of its capacity. It is recommended that the office is let out under leasehold contract agreement.

- 2.18 Employees based at Wycombe Old Library will be relocated to the Queen Victoria Road, Wycombe Office, which is across the road from the Wycombe Old Library.

- 2.19 The move to the Old Library was facilitated by the exit of the Council and the letting of Easton Street. Easton Street was a significantly larger footprint.

Queen Victoria Road, Wycombe

- 2.20 Queen Victoria Road Office is only partially occupied, with an average daily occupancy reaching only 20% of its capacity. It is recommended that the office continues to operate and provide an alternative workplace location for employees currently based

at Wycombe Old Library. A further review will take place following the Phase 1 recommendations set out in this report

Summary of Phases

- 2.21 The recommendations have been split into phases and breakdown is below:

Phase 1 includes closure of Wycombe Old Library in early 2023 and Amersham Offices not before summer 2024, consulting and relocating employees where required.

Phase 1 also includes closure of Walton Street offices in Spring 2025, consulting and relocating employees where required, and surrendering the lease on Capswood, Denham in 2026.

Phase 2 is to review requirements of the Queen Victoria Road office after completion of Phase 1.

Please note options for reduced office accommodation and town centre presence will be considered within each phase.

Easton Street, Wycombe

- 2.22 Easton Street Office has been leased which generates a significant saving and income to support the revenue budget.

Capswood, Denham

- 2.23 Capswood Offices have been closed for operational use for some time, it is recommended to seek to surrender the lease with the Landlord or underlet the premises to reduce costs. We have had some success in lettings to offset revenue costs.

General

- 2.24 Where necessary consultants will be appointed to support the master planning process and planning applications required. Following these, terms will be agreed for disposal, agreeing and exchanging contracts and completion.

3. Other options considered

- 3.1 Do nothing – This is not the recommended option. The Council set out an ambition in the Unitary Business Case to achieve operational savings from its estate. The estate is under utilised and not undertaking the review and delivering on the strategy will continue to see space being provided that is not needed to assist in the organisation.

4. Legal and financial implications

- 4.1 Local authorities are given powers under the Local Government Act 1972 to dispose of land in any manner they wish, including sale of their freehold Land. The main

constraint is that the disposal must be for the best consideration reasonably obtainable pursuant to section 123(1) of the Local Government Act 1972.

- 4.2 The Council’s Medium Term Financial Plan already includes revenue savings of £2.4m revenue savings and capital receipts savings of £4m from the operational estate. If these savings are not delivered, the Council will need to identify alternative savings in order to deliver a balanced budget. as set out in the Unitary Business Case. Full detail is available in appendix 1.

5. Corporate implications

HR&OD

- 5.1 A decision to close certain offices will impact those staff whose contractual base changes. Given the nature of the changes the implications are straightforward to manage through good communications with staff. These anticipated HR implications are set out in the table below:

5.2

Recommendation	Anticipated timescale	HR Implication
To let the Wycombe Old Library and relocate staff based there to Wycombe Office, Queen Victoria Rd	Early 2023	Requirement to communicate the change and give advance notice of the move to allow for adequate planning
Wycombe Office, Queen Victoria Road - No implications	After Phase 1 completed	No implications longer-term plan to reduce the office space available will still be enough to accommodate staff levels
Redevelop Amersham Office, King George V House site	Vacant possession after lease ceased Summer 2024	Temporarily relocate staff based here to Wycombe or Aylesbury, no contractual change but entitlement to relocation mileage may apply if home to work mileage increased to re-imburse the difference. Indicative costs are set out in the annex. Longer term expect some accommodation to be available in Amersham area.
The Gateway – plans dependent on Walton Street and decisions on town centre provision		No HR implications
Redevelop Walton Street site and possible sale.	Spring 2025	Relocation of staff to Gateway and/or another location in the town centre will have minimal impact given distance
Capswood – already closed		Staff already relocated and mileage costs, where applicable will be being claimed.

- 5.3 Contractual workplace locations will need to be considered longer term, and it is anticipated that a clearer picture of terms and conditions will be available in the in the new year to inform decisions.

ICT

- 5.4 The recommendations will have an impact on IT services provided to the Council as network hardware and data centres are located at a number of main office sites. Access to these will either need to be retained or relocated as the phases of the strategy progresses.
- 5.5 In addition to the network, equipment in the offices will be reviewed and reallocated to the remaining spaces to ensure there is an adequate IT provision in the remaining office spaces to support increased occupancy. The reallocation of current equipment will also reduce costs and new equipment being purchased.

Value for Money

- 5.6 The proposals in this report also support the ambitions of our Corporate Plan to be “realistic and focus on greater efficiency and value for money” and that “we will manage our assets to create long term benefits and additional income reducing our dependency on the taxpayer and protecting front line services”.

Equalities Impact Assessment

- 5.7 An equalities impact assessment has been developed for the estates strategy which can be found in appendix 2. Further assessments will be carried out as recommendations and phases develop.

6. Local councillors & community boards consultation & views

- 6.1 Further engagement on the recommendations set out in the report have been carried out ahead of cabinet and included all Group briefings and consultation with Local Members on Local Community Boards the area in which each office is located. There has also been a Member Steering Group involved in the formulation of this strategy.
- 6.2 A summary of Member views will be provided to the Cabinet ahead of the Cabinet meeting.

7. Communication, engagement & further consultation

- 7.1 This report has been the subject of engagement with Unions and a Member steering Group. There has also been an all staff briefing.
- 7.2 An action plan for staff engagement surrounding any changes and development to the office estate will sit within the wider Work Smart communication plan. The action plan

will align with the wider Work Smart communication objectives and will be detailed with an understanding of other council projects running in parallel, mindful of any significant impact to staff health and wellbeing. The plan will be developed following approval of these recommendations, and an understanding of agreed timeframes, also factoring any requirement for consultation with staff. The Internal Communications team will develop the plan in partnership with Property and Assets, HR and the Work Smart programme team.

- 7.3 We will call upon the support of our Work Smart staff and managers reference group to test ideas and communication approaches, recognising varying levels of impact on our different workstyles, but the need for all colleagues to be aware, engaged, and taken on the journey with us.
- 7.4 Key messages for proactive external publication are being developed and individual sites considered as plans progress and will form part of the forward plan.

8. Next steps and review

- 8.1 Develop a timeline for key deliverables and project plan for phase 1 working closely with Finance, HR, Comms Work Smart and IT colleagues. Continue ongoing staff, Union and Member stakeholder engagement.
- 8.2 Progress will be monitored through the Work Smart Programme governance.
- 8.3 Provide a report on the strategy to the Finance and Resources Select Committee at its meeting on 23 February 2023.
- 8.4 Provide an update on the strategy set out in this report and the appendix not less than every 6 months for the next two years to Cabinet and the Finance and Resources Select Committee.

9. Background papers

- 9.1 None.

10. Your questions and views (for key decisions)

- 10.1 If you have any questions about the matters contained in this report please get in touch with 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 democracy@buckinghamshire.gov.uk