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Chief Executive



Date: 09 November 2012

Hinckley & Bosworth
Borough Council

A Borough to be proud of

Dear Sir/Madam

The Mayor has agreed for the undermentioned item of business to be taken at the Council meeting on 13 November 2012. The reasons for urgency are included in the report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'RK Owen'.

Miss RK Owen
Democratic Services Officer

AGENDA

(a) Council Offices Relocation (Pages 1 - 6)

The Mayor has agreed to take this item as a late report as a decision is required by 13 December.

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COUNCIL – 13 NOVEMBER 2012

COUNCIL OFFICES RELOCATION
REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE
DIRECTION)



Hinckley & Bosworth
Borough Council

A Borough to be proud of

WARDS AFFECTED: ALL WARDS

1. **PURPOSE OF REPORT**

- 1.1 To update members on the current position regarding moving the Council Offices to the new Hinckley Hub site and the demolition of the Argents Mead Offices site.
- 1.2 In accordance with financial procedure rules, to seek member approval for project budget changes in the current Capital Programme and the release of funds from earmarked reserves

2. **RECOMMENDATION**

- 2.1 In accordance with financial procedure rules, to seek member approval to:
 - i. vire a capital budget of £250,000 from the existing demolition project to the Council Office Relocation Project;
 - ii. Allocate approved earmarked capital reserves of £338,571 to the Council Office Relocation Project to fund the changes in specification
- 2.2 Members note the current revised estimate of costs for the demolition of the Argents Mead site and the move to the Hinckley Hub.
- 2.3. Members note the additional budget required to cover the cost of dilapidation works for the offices at Florence House. This budget requirement will be funded from the Council Offices Relocation Project. This earmarked reserve was set up to cover any such costs of re-location.

3. **BACKGROUND**

3.1 **Argents Mead Site**

When the budget was approved as part of the capital programme in February 2011 it was estimated that demolition costs would be £350,000. These were based on informal quotes. Due to the current economic climate and the increase in the value of concrete the estimated cost is now £100,000. The updated cost estimate which has been sought assumes demolition takes place in January 2013. A formal tender however will need to take place.

3.2 **Florence House**

Part of the tenant liability is to pay for any dilapidation costs during the period of the let. These costs are primarily incurred in leaving the building in a lettable condition for the leaseholder. Since April 2011 £100,000 has been set aside in reserves in preparation. Having conducted some of the dilapidation works from our existing budgets has meant the final sum will reduce. However it is recommended that the dilapidation budget for Florence house is included within the Council Offices relocation budget.

Existing Council staff based at Florence House will be moving as part of the Council offices move. Leases for all floors will end in January 2014.

3.3 **Hinckley Hub**

A report was presented to the Council Offices Project Board on Wednesday 15th August updating the group on progress being made on the Hinckley Hub development. A number of items were discussed which are required to enhance the operational efficiency and security of the building for members of the public, Members and officers of the Council. The additional project work packages identified are listed below with an explanation to the requirement and estimated capital cost. The phased move of Council staff will commence early 2013 and be completed by spring 2013.

1. **CCTV** – It has been requested by the Co-location and Re-location working groups to consider CCTV within the Hinckley Hub. Due to the increase in public footfall to the Hub and the differing nature of public interaction it has been agreed at the Council Offices Project Board to introduce CCTV both to the internal and external areas of the development.

2. **Panic Alarms** – An extended panic alarm system to cover the additional meeting room areas and extended reception desk are required to ensure full coverage throughout the public reception and meeting areas.

3. **Additional Redcare Lines** – Redcare lines provide a monitored link back to the emergency services to from the security, fire alarm and passenger lifts.

4. **Lonsto Installation** – This queuing system is currently operated in the Councils reception and provides data including waiting times and customer numbers. It was thought that a simple relocation of the current equipment would serve the Hinckley Hub. After meeting with the manufacturer it has become apparent that as our current system would need extending in line with the extended reception facilities and due to the incompatibility of their new systems a whole new installation is required.

5. **Filtered water points** – Additional chilled filtered water points to be added to the building specification to provide fresh filtered water to all tea points including the multipurpose conferencing facility.

6. **Signage, date stone and flagpole installation** – Relocation of the existing flagpole and provision for a dated sign to mark the opening of the Hub

7. **Multi-purpose Conference Facility** – Improving the fit-out of the conferencing area to provide a flexible facility in order to maximise utilisation. Flexibility in the electrical infrastructure has also been included to attract external conference clients.

8. **Building Alterations** - During the construction phase a number of building alterations and improvements have been instructed by the Council and requested by partners. This has been necessary in order to develop the required meeting space on the ground floor of the hub and provide accommodation to attract potential partners.

Details of all the additional Capital costs are identified in appendix A

The above changes total £342,000. These changes will ensure a more smooth transition of services and a higher quality of public space available to members of the public and tenants. Members will be aware that Leicester County Council has already signed up to rent 80 workstation spaces. Negotiations are continuing with Job Centre Plus and it is envisaged an agreement will be reached in November for 44 workstation spaces.

4. **FINANCIAL IMPLICATIONS [IB]**

The current approved budget in the Capital Programme is as follows:-

Hinckley Hub £498,000
 Demolition £350,000
Current Total £848,000

The current revised estimates for the relocation are:-

Current Approved Budgets £848,000
 Other Improvements Above £342,000
Current Revised Cost £1,190,000

Of the difference of £342,000 LCC will fund their change requests totalling £3,429. This will leave a balance of £338,571 to be funded from the earmarked relocation reserve which was set up to cover this cost. Currently the reserve balance is £622,000. After funding the additional improvements the revised balance will be £283,429.

A detailed breakdown of costs is £1,190,000 is given in Appendix A.

5. **LEGAL IMPLICATIONS [AB]**

None directly raised by this report.

6. **CORPORATE PLAN IMPLICATIONS**

The development of the Hinckley Hub directly assists in delivering customer front services more effectively for the authority and partners within the building.

8. **RISK IMPLICATIONS**

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Partner requirements are not fulfilled leading to operation difficulties in the Hub	Identify requirements and work in partnership with partners and contractor.	Estates and Asset Manager
Public spaces compromised in the reception area	Work with partners and Officers to redesign reception area	Estates and Asset Manager
Increased risk of Staff and Public Safety	Provision of adequate security and working procedures (including procedure manual)	Estates and Asset Manager
Conferencing space will not reflect the need for an appropriate civic facility	Work with members to provide solution	Estates and Asset Manager

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

The Hinckley Hub has been designed to act as a single point of contact for public front facing services. As a part of the design process a number of consultation / presentations have been made to various groups in order to establish customer needs.

The building will be 100% DDA compliant

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background papers: Hinckley Hub background papers.

Contact Officer: Malcolm Evans 5614 / Ilyas Bham 5924

Executive Member: Cllr Keith Lynch

Appendix A

Description	Breakdown
Office Moves	30,000
Florence House Dilapidation	100,000
Demolition	100,000
Furniture	270,000
Office Pods	38,000
Building Alts (Change Requests)	149,471
Reception Fit Out	80,000
Conference Facility	99,100
ICT	150,000
CCTV Internal (non JC+ area)	15,000
CCTV External	30,000
Signage/Flagpole etc	32,000
Water Dispensers	10,000
Panic Alarms	6,000
Lonsto installation	20,000
Redcare/Lift Phones lines	7,000
Job Centre+ to date	50,000
LCC	3,429
	1,190,000

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