

RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER OR OFFICER

This form can be used for any decision but **MUST** be used to record:

- any decision taken by the Elected Mayor or an individual Councillor
- a key decision taken by a Council Officer

In these circumstances the form must be completed and passed to the Head of Members' Services no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Head of Members' Services has confirmed the decision has not been called in

1. Description of decision

- To approve the conversion of the Civic Theatre to provide a coordinated and effective approach to the delivery of customer services as part of a "one-stop-shop" front of house facility;
- To allocate the balance of the Property Investment Reserve, in the sum of £783,163, to enable the proposed conversion outlined in (a) above to be achieved;
- To acknowledge the significant ongoing savings that will be achieved from.
 - The termination of the leased in accommodation (with a current net annual rental of £285,000);
 - The discontinuation of the use, and eventual demolition of, the Town Hall building (with a current annual cost of £760,000)
- To acknowledge the development potential of the area occupied by the Town Hall to provide a scheme to take advantage of its waterside location.
- To acknowledge that listed building consent will be required in respect of the proposals for the Civic Theatre

2. Date of decision

31 March 2010

3. Reasons for decision

To bring forward proposals for the Council's Front of House Facility as part of the wider proposals to streamline office accommodation and realise development potential in a first class waterside location.

4. Alternatives considered and rejected

Alternative options for the "front of house" facility are outlined in the attached report but would rely on leasing or building suitable premises and the cost implications would be prohibitive.

5. How decision is to be funded

The balance of the Property Investment Reserve will be allocated to the project to convert the Civic Theatre. The rationalisation of accommodation will result in significant ongoing savings and these are outlined in the attached report.

6. Conflicts of interest

Name of all Executive members who were consulted AND declared a conflict of interest	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (if yes give details and date of dispensation)

The Mayor has been consulted on this decision

Not Applicable

Signed Dea Hudgey Date 7th March 2010

Name of Decision Taker MAYOR PAVE HODGSON.

This is a public document. A copy of it must be given to the Head of Members' Services as soon as it is completed.

Date decision published: 1-4-10

Date decision can be implemented if not called in: 14-4-10

Bedford Borough Council – Report to the Elected Mayor

March 2010

Report by the Chief Executive and Director of Finance & Corporate Services

Subject: CREATION OF TOWN CENTRE “ONE STOP SHOP” FACILITY

1. Executive Summary

To consider proposals for the Council’s Front of House Facility as part of the wider proposals to streamline office accommodation and realise development potential in a first class waterside location.

2. Recommendations

The Mayor is invited to consider the report and, if satisfied, to:

- (a) Approve the conversion of the Civic Theatre to provide a coordinated and effective approach to the delivery of customer services as part of a “one-stop-shop” front of house facility;**
- (b) Allocate the balance of the Property Investment Reserve, in the sum of £783,163, to enable the proposed conversion outlined in (a) above to be achieved;**
- (c) Acknowledge the significant ongoing savings that will be achieved from:
 - (i) The termination of the leased in accommodation (with a current net annual rental of £285,000);**
 - (ii) The discontinuation of the use, and eventual demolition of, the Town Hall building (with a current annual cost of £760,000)****
- (d) To acknowledge the development potential of the area occupied by the Town Hall to provide a scheme to take advantage of its waterside location.**
- (e) Acknowledge that listed building consent will be required in respect of the proposals for the Civic Theatre.**

3. Reason for Recommendations

To bring forward proposals for the Council’s Front of House Facility as part of the wider proposals to streamline office accommodation and realise development potential in a first class waterside location.

4. Key Implications

4.1 Legal/Policy Issues

The Council's approved Corporate Asset Plan supports the ongoing maintenance and preservation of its property to meet service needs and to ensure that it remains fit for purpose. The Civic Theatre is regarded as an asset which has been under utilised for some time and which is meeting minimal service needs.

The Council will, based upon financial projections, continue to experience Council Tax pressures in future years and, in this regard, additional ongoing revenue savings must be achieved. The alternative use of the Civic Theatre, coupled with proposals to rationalise office accommodation, provides an opportunity to save significant costs whilst achieving a more coordinated and effective approach to the delivery of customer services.

The Civic Theatre is a Grade II Listed Building occupying a prominent corner location within the Conservation Area. Consideration of its future use must have due regard to its listed status, its impact on the Conservation Area, and the contribution it might make to the general viability and vibrancy of the town centre. Any listed building consent application for its change of use or alteration to the fabric of the building (internal or external) would need to have full regard for the policies in the adopted local plan and national guidance. As the listed building application will be from the Borough Council it will be need to be determined by English Heritage.

4.2 Risk Implications

There is a risk of further deterioration of the fabric of the building if essential repairs are not undertaken. This could be included as a maintenance obligation if a commercial tenant for the property was identified.

4.3 Resource Implications

To create the additional space proposed within the Borough Hall complex funding has already been allocated for the general refurbishment of the building. Refurbishment and/or adaptation works will also be required in a number of areas and it is proposed that these would be funded from the balance in the Property Investment Reserve (in the sum of £783,163). The areas of expenditure, in order of priority, are:

- Conversion of the Civic Theatre/Old Town Hall into an accessible corporate "front of house" facility;
- Conversion of premises into accommodation for the Archive Service (there is currently £100,000 in the capital programme to provide additional shelving for this service);
- Conversion of the 3rd Floor of the in Riverside Annex to office use;
- Premises identified for the Library Service may require adaptation.

The investment will, however, result in significant ongoing savings and also facilitate the advancement of development opportunities on the site of the Town Hall and adjacent area. The ongoing savings will arising from the proposals include:

- Town Hall accommodation and holding costs estimated at £760,000 per annum;
- Satellite Offices with an estimated saving of £285,000 in rental payments (net of other holding costs and the additional cost to be incurred as a result of exclusive occupation of Borough Hall).

These savings are in addition to the operational benefits of bringing the Council's office based staff to a single town centre location.

5. Details

Background

- 5.1 On becoming a Unitary Council in April 2009 the Council inherited a portfolio of property for office based staff in over 20 separate buildings and the list of these is given in **Appendix A**. A list of the premises held leasehold, together with the current gross rent payable and the next available break clause, is set out in **Appendix B**. For cost reasons, primarily, the Council has sought to terminate leases and to streamline the portfolio.
- 5.2 The Council remains the caretaker authority for all these premises and a relevant proportion of the cost is recharged to Central Bedfordshire Council (CBC) to reflect the extent of their occupation pending relocation to alternative premises. The estimated net rental cost of occupation for the Council is £285,000 and this is summarised in **Appendix B**.

Office Accommodation – Streamlining Proposals

- 5.3 The proposed exclusive occupation of Borough Hall by the Council (once Central Bedfordshire Council has vacated) provides the opportunity to completely review the short and long term accommodation strategy with the overall aim of improving synergy, rationalise office needs and relocate as many office based staff to Borough Hall (resulting in the vacation of leased-in satellite offices).
- 5.4 The long term strategy the Council is to locate the majority of its office based staff within Borough Hall. The building currently has approximately 1,025 desk spaces but, imminent refurbishment proposals, revised space allocations, and the relocation of inappropriate uses from the Riverside Annex – and the reuse of the Annexe building as offices – will seek to increase occupation to at least 1,300 desk spaces. There are approximately 400 CBC staff currently within Borough Hall and, as such, it has been necessary to continue to use satellite accommodation (pending break clauses) and to continue to locate office based staff at the Town Hall.

5.5 As more staff migrate over time from the Town Hall to Borough Hall and the former becomes under occupied it is the intention, on economic grounds, to vacate the premises and to demolish the building. This would provide the opportunity to realise the development potential of the area in what is a first class waterside location. The current cost of the occupying the Town Hall is summarised below and it is estimated that an annual saving of over £700,000 will be realised from its demolition:

National Non Domestic Rates	169,100
Buildings Insurance	15,400
Maintenance	106,600
Cleaning	127,100
Security	98,000
Staff	124,100
Electricity	77,100
Gas	24,600
Miscellaneous	18,100
	<u>760,000</u>

5.6 The annual holding costs of retaining an empty building, at an estimated cost of £285,000, are considered to be prohibitive.

5.7 A number of hard decisions needed to be made regarding services but, as a fundamental principle, it was considered that the Council would need to retain front of house facilities within the town centre with its better public accessibility compared to Borough Hall. This will necessitate a fundamental review of the way in which the Council deals with its customers and this is further considered below.

Front of House Services

5.8 It has been recognised for some time that the Council must retain its front of house services within the town centre and that the transition to a unitary authority necessitates a coordinated and effective approach to the delivery of customer services. The services currently provided from the Town Hall are Housing Advice, Cash Hall, Benefits/Community Welfare, the Tourist Information Centre and the Planning Reception. It is recognised that, as other premises are vacated, additional front of house services may require inclusion in the corporate front of house facility and, as such, this will be identified as part of a review of service provision and business processes.

5.9 There is a need, therefore, to develop and implement a coherent approach to the delivery and improvement of customer services in order to provide improved coordination, profile and synergy and, in order to meet this challenge, the development of a town centre “front of house, one-stop shop” facility will require necessary research, appraisal of options and implementation of a new coordinated service, with defined practices and procedures to support the improved delivery and accessibility of services to the customer. This will require a review of existing business processes and the development of a future strategy for the delivery of services to the customer. It is essential, therefore, that the Head of Customer Services is actively involved in the design and development process.

- 5.10 Critical to the development of the town centre, “front of house”, facility is the availability of suitably located premises. Previous options have been explored, including the Howard Centre (TK Maxx area) and Ground Floor of the Library in Harpur Square (both owned by the Council and where leases were coming to an end), but the continued presence of key retail in these locations was deemed to be the preferred solution.
- 5.11 The Council has established a high quality, high profile Tourist Information Centre as part of an existing Civic Visitor Centre, comprising access to voluntary services at 6 and 7 St. Pauls Square and the Housing Advice Centre in the Old Town Hall. The Council owns the adjacent Civic Theatre and, with sympathetic refurbishment, it has the potential (with the Old Town Hall Complex) to offer a first class customer service, in a good accessible location.
- 5.12 This solution would complement, rather than frustrate, emerging riverside development opportunities. The building is in any event listed and cannot be demolished. The future demolition of the Town Hall, as part of the emerging aspirations, would focus the Civic Theatre and Old Town Hall as an island site, which would be much more visible to the public with an identity of its own adjacent to a proposed new Charter Square reaching to the riverside.
- 5.13 Indicative plans have been prepared to show how the suite of buildings could be adapted for this purpose and a potential layout is shown at **Appendix C**. It is envisaged, at this stage, that back room offices and staff welfare facilities would be located on the first floor of the Old Town Hall. The indicative costs of converting the building for this purpose could be funded from the balance in the Property Investment Reserve (£783,163). The only realistic alternative would require the Council to consider leasing or building premises which will be cost prohibitive. Listed Building consent will be required for any works to the building and any application submitted by the Borough Council would be determined by English Heritage. Preliminary discussions have already commenced in this respect.
- 5.14 Town Hall customer service areas are visited by many thousands of residents each year and regular satisfaction surveys have been conducted to support the Council’s Charter Mark Award. There is no evidence of dissatisfaction with the current location of customer services and, given the financial constraint faced by the Council, the proposals in this report are considered to provide the best balance between convenience of access for the majority of residents and the effective use of resources and assets, whilst also preserving the historic credentials of the property.
- 5.15 The importance of customer consultation in developing a new customer service facility must, however, be recognised by the Council. It is, therefore, proposed to consult throughout the design process with those residents likely to visit the facility, to ensure that as far as feasible the facility and range of service provided there meet the needs of our customers. This could take place concurrent with the design and planning process.

- 5.16 Borough Hall is primarily the administrative headquarters of the Council; few services which have direct interface in the building with the public are based in this location (it is anticipated that any such services would be provided via the front of house facility referred to above). The majority of visitors to Borough Hall will be pre-booked appointments and the reception facility provided within the building should reflect this nature of usage. It is not, therefore, proposed to make many changes to the current arrangements. It is considered, however, that potential scope exists to reduce the public waiting area to create additional interview/meeting rooms in this location. It is not considered that the Council has adequate accommodation (in terms of security and recording) to interview persons under caution. This would benefit a number of services areas and could be provided within the reception area. The rooms would also be available for normal meetings.
- 5.17 In order to maximise occupation levels the current usage of the building has been reviewed. There are two services within the Riverside Annex that are primarily storage and, as a consequence, are considered inappropriate for a building that is the Council's administrative headquarters. These services are the Archives Service which occupies nearly half the Annex and the Library Service. Both would benefit in their own right in being located in more suitable premises. In addition, it would free up considerable space that could be utilised as office accommodation.
- 5.18 Alternative accommodation has been identified for the Archives Service and the proposed premises provide considerable secure storage capacity although adaptations and alterations will be required to create an environment appropriate for a county archives service. One of the problems faced by the service at this time is that it has outgrown the capacity of its current accommodation and, by its very nature, the service will have an ever growing requirement for storage and the volume of archival material increases year by year. The proposed location addresses this as the considerable storage accommodation available is considered to be sufficient for the needs of the service for many years to come. The cost implications of this relocation are currently being determined as part of the overall accommodation review.
- 5.19 No alternative accommodation for the Library Service has yet been identified. The review of options is currently ongoing.

Town Hall Complex – Future Development Potential

- 5.20 The proposals contained in this report provide the opportunity to explore development potential of the site currently occupied by the Town Hall area, given its waterside location. Accordingly the Mayor is requested to acknowledge this potential.

6. Summary of Consultations and Outcome

The following Council Units or Officers and/or other organisations have been consulted in preparing this report:

Portfolio Holder
Management Group
Relevant Unit Managers

No adverse comments have been received.

Report Contact Officer(s): Philip Simpkins, Chief Executive
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File Reference: GEN/T.1(e)

Previous Relevant Minutes: None

Background Papers: None

Appendices:

- A: Office Locations Occupied on 1 April 2009
- B: List of Premises Held Leasehold
- C: Indicative Plans

OFFICE LOCATIONS OCCUPIED ON 1 APRIL 2009

Freehold

1. Borough Hall
2. Town Hall
3. Riverside House
4. 24-26 Cauldwell Street
5. 109 London Road
6. Rainbow School (unsuitable for office use and breach of covenant)
7. 3A Conduit Road (1st Floor)
8. Allhallows offices (now vacated)
9. Former Manager's House, Parkside Residential Home

Non-Freehold Occupation

10. Houghton Lodge, Ampthill (CBC owned)
11. 7 Stephenson Court, Priory Business Park
12. J Stephenson Court, Priory Business Park
13. K Stephenson Court, Priory Business Park (now vacated)
14. L Stephenson Court, Priory Business Park
15. 5 Franklin Court, Priory Business Park
16. 1st Floor, Salamander House (break notice served)
17. Kingsway
18. 64 Bromham Road
19. Westbourne School
20. No. 1 Princeton Court, Pilgrim Centre (break notice served)
21. No. 2 Princeton Court, Pilgrim Centre
22. Sandland Court, Pilgrim Centre
23. Queen's Park Centre
24. 116 Bromham Road, Bedford

N.B. This list does not include 21-23 Gadsby Street as it was not used as office accommodation on 1st April 2009, although it is now being brought back into office use.

LIST OF PREMISES HELD LEASEHOLD

Property	Gross rent payable £	Break date	Last day for service of notice
Pilgrim Centre, Suite K, Sandland Court. Joint occupation with CBC Children's Services Commissioning	38,000	14.04.2011	13.10.2010
Rogers Court Partial occupation by CBC. Children's Services	62,525	25.06.2001	24.12.2010
No. 7 Stephenson Court Joint occupation with CBC Children's Services Quality Assurance Team	29,000	04.08.2011	03.02.2011
Pilgrim Centre, Suite 2, Princeton Court CBC run shared service Bedford Registry Office	41,500	07.10.2011	06.04.2011
No. 4 Franklin Court BBC run Service Youth Offending Team	84,375	08.02.2010	07.08.2011
Unit L Stephenson Court BBC run facility Conference and Development Centre	78,125	27.04.2014	26.10.2013
Unit J, Stephenson Court Exclusive BBC occupation Children's Services	64,062	27.04.2014	26.10.2013
61-63 Bromham Road Exclusively BBC occupation Connexions Children's Services	23,578	09.09.2014	End of lease
116 Bromham Road Shared occupation with Sight Concern BBC Visual Impairment Team	2015	Holding over on lease	
Additionally: Rogers Court car parking	8,400	25.06.2011	24.12.2010





