

EAST RENFREWSHIRE COUNCIL31 October 2018Report by Director of EnvironmentACCOMMODATION STRATEGY**PURPOSE OF REPORT**

1. The purpose of the report is to advise the Council on progress made with regard to accommodation and medium and long-term planning in that respect.

**RECOMMENDATIONS**

2. It is recommended that the Council notes;
- (a) The background with regard to accommodation issues within the Council.
  - (b) The consultant's report on a proposed accommodation strategy; and
  - (c) That the Director of Environment will be considering all of the issues and reporting back to the Council during 2019/20 regarding formal approval of an accommodation strategy.

**BACKGROUND**

3. The Cabinet in August 2017 approved a Corporate Asset Management Plan (CAMP) for the Council and noted the continued progress being made with Asset Management Plans across the Council.

4. The Corporate Asset Management Plan (CAMP) provides an overarching framework to tie together the 6 individual Asset Management Plans. Its primary aim is to ensure that assets are administered in the best way to meet the needs of the organisation and ensure the delivery of the Council's corporate goals and objectives.

5. With specific reference to property assets, the CAMP noted that property is an extremely important asset to the Council as it can have a significant impact on all the services that East Renfrewshire Council provides to local residents. The long-term objective for property was identified as ensuring that the Council has the right properties in the right place to ensure they are fully utilised and provide best value to East Renfrewshire. Although current performance on property assets was identified as good the CAMP made it clear that the Council wish to improve on this and identify improvements and increase the performance of the service in the long term. The Council's improvement plan for property is to:

- Ensure that school and nursery provision is sufficient to meet the needs of the population and that the quality of the accommodation reflects the ambitions of the Council;
- Ensure that all properties are wind and water tight with Health & Safety prioritised to support the delivery of service provision;
- Ensure that property usage is maximised in order to reduce ongoing revenue and capital costs;

- Investment in projects to improve energy efficiency, property utilisation and the working environment of staff to enable more efficient ways of working to ensure the efficient use of buildings to reduce future revenue costs;
- Subject to available resources, the physical appearance and welfare facilities will be addressed in order to improve customer satisfaction and maintain the Council's image.

6. The CAMP noted that the Council's Corporate Asset Service currently situated within Property and Technical Services was in the process of being reviewed as part of the Environment Department's change programme with a view to establishing a more modern Corporate Landlord Function.

7. In broad terms The Corporate Landlord approach means that the Environment Department would take responsibility for all non-school property with the aim of providing a corporate and consistent approach to;

- acquisition and disposal
- space standards and utilisation policies
- energy management
- facilitating agile working
- repair and maintenance
- budgeting for repairs
- premises related health and safety requirements
- statutory inspections
- security and caretaking including the Council officers
- disabled access requirements

8. The aim is that most decisions affecting non school property assets would be considered from a corporate perspective and not simply from a service perspective. This would ensure that resources are prioritised and directed to where they are most needed thus ensuring that the asset portfolio is aligned with the Council's strategic objectives.

9. The Plan also highlighted that property is a key resource for the Council. Property has value, costs money to use and maintain and is a critical component in supporting service delivery. Property must be planned over the longer term against clear corporate and service objectives. East Renfrewshire Council's Property Asset Management Plan must therefore not only focus on providing and maintaining buildings but should also be more strategic and innovative, enabling East Renfrewshire Council to become a Council that challenges how the property portfolio as a whole can be more effectively used to support the communities that the Council serves. For the future the focus should be on;

- robust data being used to support options appraisals for all property investment and disposal decisions
- properties will be upgraded to support modern ways of working
- energy-efficient measures will be implemented to reduce future costs and environmental harm
- community and customer engagement will be undertaken to help shape the provision of new properties.

## REPORT

10. In 2017 consultants were commissioned to prepare a Property Management/Accommodation Strategy and action plan for 42 corporate buildings (excluding Education and the Leisure Trust) currently owned/occupied by the Council.

11. A copy of the consultant's executive summary is attached (Appendix 1). The full report can be accessed through [this link](#).

12. The report provides the Council with options for its office accommodation needs in 2020 and beyond. This takes into account the future size of departments, how they will be working in a more agile way and how technology will impact on the need for property. The report also provides, through property scorecards, detailed running costs along with recommendations for all other properties in terms of disposal, investment and alternative uses. In addition the report also provides valuable baseline information along with some challenging options for future consideration.

13. The report identifies that, in the view of the consultants, the best option would be to consider the demolition of the Council HQ in Eastwood Park, together with the more efficient use of other buildings and the relocation of the Civic Headquarters. The expected financial savings would be in the region of £260K per annum.

14. Whilst the accommodation strategy is important, the Corporate Asset Management Plan prioritised the provision of education facilities. Given the requirement to increase Early Learning provision prior to the implementation of new legislation, the focus of the Council has been on ensuring that this significant investment is well managed.

15. Recently, Audit Scotland presented the East Renfrewshire Council 2017/18 Annual Audit Report to the Council's Audit and Scrutiny Committee. The report commented that as noted in the Best Value Audit Report a new approach to managing the use of council buildings and accommodation was agreed by the Corporate Management Team in January 2017. The report also recommended that "given the potential for additional savings from the better use of council buildings and the need for more efficient and fit for purpose office accommodation it is important that an accommodation strategy is now formally approved and actioned".

16. The Council's response was that:

"The office accommodation strategy will follow after the early years programme and the review of the provision for leisure. We will be using our newly developed approach to program management to manage the complex interdependencies and develop an appropriate timeline. There are no three-year savings contingent on this area. The formal work on our accommodation strategy will begin next year (2019/20)."

17. However, given the review of the educational requirements undertaken as part of the development of the LDP2 and the feasibility study regarding the future of the Eastwood Leisure centre, it is important that Council is sighted on the option for a change to the office accommodation used by the Council. In particular any masterplanning of the Eastwood Park which is taken forward as part of the options appraisal for the Eastwood Leisure Centre should take into consideration the option of the demolition of the HQ to ensure that the fullest possible range of options are considered.

**RECOMMENDATIONS**

18. It is recommended that the Council notes;
- (a) The background with regard to accommodation issues within the Council.
  - (b) The consultant's report on a proposed accommodation strategy; and
  - (c) That the Director of Environment will be considering all of the issues and reporting back to the Council during 2019/20 regarding formal approval of an accommodation strategy.

Director of Environment

Further information can be obtained from: Andrew Director of Environment on 0141 577 3036 or [Andrew.cahill@eastrenfrewshire.gov.uk](mailto:Andrew.cahill@eastrenfrewshire.gov.uk)

October 2018

# Accommodation Strategy Report

East Renfrewshire Council



---

20 July 2017

making the difference



BLANK PAGE

# Contents Page



1. Executive Summary	<i>Appendix A – Property Scorecards</i>
2. Introduction and objectives	<i>Appendix B – Staff Survey full results</i>
3. Current provision	<i>Appendix C – SWOT Analysis – long list options</i>
4. Vision for the future	<i>Appendix D – Short list Options Financial Assessment</i>
5. Staff Survey	<i>Appendix E – Preferred Options scoring &amp; guidance notes</i>
6. Options development	<i>Appendix F – Assumptions</i>
7. Preferred option	<i>Appendix G – Stakeholders consulted</i>
8. Property Scorecards	<i>Appendix H – Workshop attendees</i>
9. Public Sector Partners	
10. Conclusion & Recommendations	

© Turner & Townsend Consulting Ltd All rights reserved July 2017.  
This document is expressly provided to and solely for the use of East Renfrewshire Council and must not be quoted from, referred to, used by or distributed to any other party without the prior consent of Turner & Townsend Consulting Ltd who accept no liability of whatsoever nature for any use by any other party.

Issue	Status	Prepared By	Approved By
3.0	First draft for ERC	Peter McKinlay	Benny McLaughlin

BLANK PAGE



# Section 1: Executive Summary

---

## Accommodation Strategy Report

# 1. Executive Summary

## Introduction, Scope & Objectives

Turner & Townsend were appointed by East Renfrewshire Council to prepare a Property Management / Accommodation Strategy and Action Plan for **42 Corporate Buildings** (excluding Education and the Leisure Trust) currently owned / occupied by the Council. A user guide and roadmap to the implementation of a Corporate Landlord function for the strategic management of the Council's property assets was the subject of a separate report issued to the Council by Turner & Townsend in June 2017.

The Accommodation Strategy provides the Council with a clear vision and plan for its office accommodation needs in 2020 and beyond, taking into account the future size of Departments, how they will be working in a more agile way and how technology will impact on the need for property.

The strategy will also provide, through Property Scorecards, recommendations for all other properties in scope in terms of disposal, investment or alternative uses.

## Current provision

This review found:

- **5** key office buildings totalling 9,492 m2 with **729** desks and **763** staff
- One key office lying empty and a further 5 secondary offices also empty but incurring costs to keep in this state
- By 2020 staff numbers across the 5 key offices are assumed to be around 580. Using a desk to staff ratio of 7:10 and assuming the current Transformation Programme delivers Agile Working, then there will be a requirement for approx. 500 desks.

A short staff survey identified issues around the suitability and working environment for staff at the key office locations. **Section 5** of this report includes the findings in more detail.

**In short, there is too much office space, spread over too many buildings that are costly to run and maintain.**

# 1. Executive Summary

## Future needs

A vision for the Council's office accommodation has now been established and endorsed by the Corporate Asset Management Group (CAMG). This Vision is included in **Section 4** of this report.

## Options Development

Through development of a long list of options to address the short comings of the current office provision and refining these to a short list that has been costed and assessed against the Vision, a Preferred Option was agreed by the review stakeholder group. The highest scoring option was:

**Option 2** - *Retain Barrhead offices (refurbished & upgraded for agile working) and focus Eastwood side office space at refurbished (and upgraded for agile working) Burnfield Road and Spiersbridge offices and demolish Eastwood Park HQ but retain existing office space at Thornliebank Depot.*

In addition, Property Scorecards with a strategy for all remaining corporate buildings in scope are included in *Appendix A*.

## Key attributes of the Preferred Option

- Existing monies **available within ERC's Capital Plan** to fund the capital requirements of this option in full while delivering **ongoing revenue savings** of circa **£2.6m** over the next 10 years
- Provides the **opportunity to Master Plan Eastwood Park** and consider feasibility options & solutions to extend St Ninian's High School and address the Leisure Trust's aspirations for a new Eastwood Leisure offering
- Provides an **upgraded Barrhead Main street office**, configured for Agile Working and providing a **much enhanced** working environment for staff
- Brings back into use the offices owned by the Council at Burnfield Road that **cannot currently be disposed of**.

*The time is right for the Council to grasp the opportunity to re-configure its offices and corporate properties to meet its needs for the future.*

# 1. Executive Summary

## Recommendations

In concluding this Accommodation Strategy report, the project team recommends implementing the following solution for the Council's office accommodation:

- **Option 2** - *Retain Barrhead offices (refurbished & upgraded for agile working) and focus Eastwood side office space at refurbished (and upgraded for agile working) Burnfield Road and Spiersbridge offices and demolish Eastwood Park HQ but retain existing office space at Thornliebank Depot*

A Full Business Case should be prepared for Option 2, based on Treasury Green book guidance.

In tandem with implementing Option 2, the Council should carry out a Master Planning exercise on Eastwood Park, taking into account opportunities to extend St Ninians High School and provide a new Eastwood Leisure offering. This could also be widened to include Rouken Glen Park, hence covering the two strategic council sites on the Eastwood side of the Authority.

**In addition**, the following recommendations should be implemented to support effective on going management of the Council's corporate property assets through the new Corporate Landlord model:

- **Consolidate Property Information** into one location that is easy to access and maintains "**one source of the truth**". Ideally this should be the existing K2 system
- Implement the recommendations (including disposals & potential new uses) for each property included on the **Property Scorecards** in *Appendix A*
- The Property Scorecards should be **refreshed every year** to ensure they remain relevant and accurate
- Consultants employed by ERC to market and sell properties **must be incentivised/encouraged to maximise the selling opportunity** based on a clear brief (distinct budgets must be provided to allow effective marketing)

# 1. Executive Summary

## Recommendations cont'd

- If the opportunity to sell the existing Eastwood Park site for high end housing/flats is progressed by the Council, then effective marketing, targeting key UK Developers must be carried out **to maximise this opportunity**
- On completion of all upgrade and refurbishment works to office buildings, a **robust maintenance regime should be established for the whole life of the buildings** with ring fenced revenue budgets put in place to maintain both the fabric, structure and Mechanical & Electrical Installations to the appropriate standards
- Engagement with Public Sector Partners **should continue on a regular basis** to drive forward opportunities to share assets – in particular opportunities with **Police Scotland** and **Voluntary Action East Renfrewshire** should be pursued.
- Further work on provision of **Council Chambers and Members accommodation** under Option 2 should be carried out to identify costs and ease of delivering a solution based on the options identified in Section 7 of this report
- In late September 2017 (end of IGP stage) **review the inclusion of the energy efficiency works** for Eastwood Park HQ and Barrhead Main St in the NDEE contract – dependant on the Council adopting Preferred Option 2
- Appoint a **dedicated** Funding Application resource within the Corporate Landlord team to secure funding from all potential bodies to help drive forward the Property Scorecard opportunities.

BLANK PAGE