

DECISION-MAKER:	CABINET
SUBJECT:	ACCOMMODATION STRATEGY UPDATE 2011
DATE OF DECISION:	21 NOVEMBER 2011
REPORT OF:	CABINET MEMBER FOR RESOURCES, LEISURE AND CULTURE
STATEMENT OF CONFIDENTIALITY	
None	

BRIEF SUMMARY

This summarised report follows on from the previous Accommodation Strategy reports approved by Cabinet in 2004 and updated in 2005, 2008 and 2009. This strategy was established to rationalise the use of office accommodation by reducing the number of buildings the Council occupies, facilitating the use of One Guildhall Square and allowing for urgent repairs to the Civic Centre, lowering the risk of major disruption, building failure and closure, The full implementation of the strategy will result in annual net revenue savings to the Council.

This report seeks approval for expenditure of £4.5M phased £3.735M in 2012/13 and £0.765M in 2013/14.

RECOMMENDATIONS:

- (i) To approve in accordance with Financial Procedure Rules capital expenditure of £4.5M phased £3.735M in 2012/13 and £0.765M in 2013/14.
- (ii) To authorise the Head of Property and Procurement to incur expenditure as required to implement the Accommodation Strategy.

REASONS FOR REPORT RECOMMENDATIONS

1. To approve the further works needed to implement the Accommodation Strategy and repair the Civic Centre.
2. To incur expenditure to implement the Accommodation Strategy.
3. To put in place appropriate approvals to implement the strategy.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. To not repair the Civic Centre would mean that building failure is likely, which would prevent the vacation of leased offices incurring additional revenue costs. Little systematic upgrading of the Civic Centre has been carried out since the 1930's, building and service elements are life expired and the risk of major disruption increases each year.

DETAIL (Including consultation carried out)

5. As part of the Accommodation Strategy Action Programme (ASAP), extensive repairs to the Civic Centre were approved, including stonework, steelwork, roofs, windows and services which are life expired, removing hazardous materials, improving energy and environmental performance of the building and upgrading the offices to make the building suitable for the medium term. The initial scheme estimate was always intended to be a provisional sum to be reviewed towards the end of phase 1 to reflect the

survey information and experience gained during that phase of the overall programme as part of opening up the building and gaining more clarity on the problems faced within the structure. The report approved by Cabinet in February 2008, noted that "these are estimates and more information will be known when detailed surveys are done, if the costs increase an additional report will be needed at that point". A further £4.5M has been added to this scheme of which £1.6M has been transferred from the scheme for Repairs & Maintenance to the Accommodation Strategy (ASAP scheme) within the Resources capital programme under powers delegated by Council and funding has already been identified for the remainder of £2.9M.

6. The increased estimate reflects the actual issues involved with increases in construction costs arising from detailed surveys for items that were impossible to identify before works commenced. Estimates for extensive works to the roofs, windows and services in the Civic Centre were carried out but cost increases have come about following invasive surveys, increased building regulations requirements, finding additional asbestos and resulting delays, together with related works to ensure leased buildings are vacated on time to generate savings. The revised scheme also incorporates refurbishment, IT re-cabling, additional compounds, the art restoration roof, lift repairs, previously unknown items (such as the secondary roof light and the removal of further unknown asbestos), other unknown problems hidden within the building fabric and maintains a reasonable contingency sum for the remaining phases of the programme.
7. Approval is therefore sought to spend the further funding approved by Council as part of the September Capital Update. Further updates will be produced as necessary as each phase of the project is completed.
10. Consultation has been carried out with Finance and Legal Services.

RESOURCE IMPLICATIONS

Capital/Revenue

Capital

11. The £4.5M additional funding was approved by Council on 14th September as a £2.9m addition to the Resources Capital Programme together with a £1.6M transfer from Repairs and Maintenance within the same Capital Programme, the total of which to be phased £3.735M in 2012/13 and £0.765M in 2013/14.

Revenue

12. Provision for all associated revenue costs has been made within current and future budgets, to cover move costs and dilapidations arising from vacation of and decanting from buildings.

Property/Other

13. As part of the current phase of the Accommodation Strategy, leases have and will be released on Frobisher House, Southbrook Rise and Castle Way.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

14. The legal authority to spend money to maintain the Council's buildings is contained in Section 111 of the Local Government Act 1972.

Other Legal Implications:

15. None.

POLICY FRAMEWORK IMPLICATIONS

16. This report is not seeking to change the original Accommodation Strategy but updating it to take into account recent developments together with an updating of financial implications to be able to deliver the overall strategy.

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KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	NOT APPLICABLE
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	None.
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Documents In Members' Rooms

1.	None.
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Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	No
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Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	Capital Update 14 th September 2011	
2.	Accommodation Strategy Reports & Updates	
	• 16 th February 2009	• 18 th February 2008
	• 26 th September 2005	• 2 nd August 2004