

## **Corporate Office Rationalisation (Windsor House) Executive Decision Briefing Report**

### **Executive Summary**

The Council will no longer need all three of its main corporate office buildings (Ballard House, Windsor House and Midland House) due to a reduction in demand, primarily as a result of increased flexible and home working.

Detailed information gathered on future accommodation requirements shows that one building could be vacated and released from the corporate estate. Windsor House has been identified as the most suitable building for vacation and disposal.

This Executive Decision seeks authorisation to allocate a budget to the Council's Capital Programme to enable the vacation Windsor House, which is an essential first step towards future disposal of the building - which will be the subject of a subsequent business case. The target date for the building to be vacated of all office staff is October 2021. This will enable a Surplus Property Declaration (SPD) to be made, allowing the process to release the building from the corporate estate to commence.

The vacation of Windsor House will cost an estimated £451,000. Taking into account an existing pre-approved Accommodation capital budget, £384,000 will need to be added to the Capital Programme. This will be funded by service borrowing at a cost of £19,213 per year from 2022/23.

Taking into account the expenditure and expected cost savings, a net benefit of c.£40,000 per annum will be realised on vacation of office staff.

### **Current situation**

Over recent years, the Council's Accommodation Strategy has sought to identify future options for its corporate estate, particularly with a view to cutting costs associated with running and maintaining a significant number of buildings across the city and reducing the Council's carbon footprint.

The effect of the Covid-19 pandemic and associated lockdown of the population has led to a dramatic shift in working patterns for the majority of office-based staff, with as many as 83% of all Council staff currently working from home full-time. Whilst the shift towards home working has been necessary during the pandemic, it does however provide evidence that the Council has adapted well to new ways of working and that productivity is being maintained.

This evidence, coupled with increased pressure on the Council's budget, has led to increased impetus to rationalise the estate, on the basis that the three main office buildings (Ballard House, Midland House and Windsor House) will not all be required in the future and that by disposing of one or more of these buildings, costs savings and carbon reduction can be achieved.

The recommendations of this Executive Decision support the Council's draft New Ways of Working Policy, the Accommodation Framework 2020-23 and the IT Strategy.

### **Proposal**

Windsor House has been identified as the most suitable of the Council's three main offices to release from the corporate estate. This is due to comparatively high running costs, a backlog of maintenance and significant challenges in reducing the building's carbon footprint.

In order to make a thorough assessment of future desk requirements, all service leads at Windsor House, Ballard House and Midland House have been contacted so that an accurate picture can be gained of expected future working patterns.

This assessment shows that a proposed future desk allocation representing an overall ratio of approximately 4.5 desks per 10 (PCC) staff is achievable. This demonstrates the reduced demand for office desks as a result of increased home and flexible working. The actual ratio before the pandemic was found to be in the region of 9:10.

Sufficient capacity will exist at Ballard House and Midland House to accommodate all staff from Windsor House - including partners should they wish to be relocated at Ballard House. Indicative new locations for teams have been considered and will be subject to further work and liaison with service leads as the project progresses.

**The preferred option is therefore to proceed with the vacation of all office staff from Windsor House.**

**It should be noted that the proposed reallocation of office space is based on a post-social distancing (safe systems of work) scenario, when previous occupancy levels can be achieved once more.**