

## **Report to the Cabinet**

**Report reference:** C-004-2018/19

**Date of meeting:** 14 June 2018



**Epping Forest  
District Council**

**Portfolio:** Leader of the Council

**Subject:** Service Accommodation Review

**Responsible Officer:** David Bailey (01992 564105).

**Democratic Services:** Gary Woodhall (01992 564470).

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### **Recommendations/Decisions Required:**

(1) That the Cabinet note the progress and next steps of the Service Accommodation Review project; and

(2) That the Cabinet agree to allocate £72,000 from the Transformation Budget (formally the Invest to Save fund).

### **Executive Summary:**

The Civic Offices were awarded Grade II listed building status in December 2017, resulting in the need to undertake further work to complete the Service Accommodation Review project stage 2 Outline Business Case (OBC). This report summarises the work completed to date and updates Members on plans to complete the OBC.

### **Reasons for Proposed Decisions:**

To inform the Cabinet of progress and next steps of the Service Accommodation Review project [P002] and agree to allocate £72,000 from the Transformation Budget (formally the Invest to Save fund) to complete the update of the stage 2 Outline Business Case.

### **Other Options for Action:**

Completion of the stage 2 Outline Business Case is required in order to present the Cabinet with sufficient evidence with which to decide whether to continue with proposals to refurbish the Civic Offices, Epping. Alternatively, the Cabinet could halt work on the Review. However, this would impact adversely on both the draft Local Plan and the Council's Medium Term Financial Strategy (MTFS).

### **Report:**

#### Background

1. The Cabinet agreed to undertake a stage 1 Strategic Outline Case (SOC) to evaluate options to accommodate Council services in ways which maximise the use of Council assets and provide best value for money (21 April 2016). This work was awarded to Pricewaterhouse Coopers (PwC) following a formal tender process for £80,000.

2. The report from this study – Review of the Council's Accommodation – was agreed by Cabinet on 9 March 2017 (C-067-2016/17). This report presented recommendations drawn from the Strategic Outline Case (SOC) completed for the Council by Pricewaterhouse Coopers. The SOC reviewed and evaluated a series of options for accommodating Council services, with both strategic and financial appraisals.

3. The Cabinet agreed 'the principle of retaining the Civic Office headquarters location for the Council in Epping town centre', alongside the optimisation of the existing footprint, rationalisation of workstation layouts, and the phased vacating of the Condor Building and associated areas within five years. The objectives were to release that part of the site for residential and/or commercial use in line with the draft Local Plan, whilst realising a capital receipt with ongoing revenue savings.

4. Following this decision, a stage 2 study to complete an Outline Business Case (OBC) was awarded to PwC after a formal tender process at a cost of £109,000. The study would provide evidence for a report to the Cabinet, scheduled for 7 December 2018. During the latter stages of completing this study, Historic England undertook an inspection of the Civic Offices on 20 October 2017, to determine if the site should be awarded the protection of listing.

5. During the listings process the report to the Cabinet was held until this process was complete, although work to finish the stage 2 Outline Business Case continued. At the point when Historic England completed the listings process, the draft Outline Business Case had been completed by Pricewaterhouse Coopers.

6. The Civic Offices were awarded Grade II Listed Building status on 18 December 2017 (List entry number 1451630) for its special architectural and historic interest and group value. This resulted in the need to revise the Outline Business Case in order to ensure the adaptations proposed for the building are sensitive, protect the character of the building, and would therefore gain Listed Building Consent from Historic England. Many aspects of the building, including the Council Chamber, are specifically protected by the listing, and celebrate the work of the architect, Richard Reid.

7. The list entry can be accessed on the Historic England website by following the link <https://historicengland.org.uk/listing/the-list/list-entry/1451630>. With the Council owning the Civic Office buildings, approval for any works to be undertaken on the building, known as Listed Building Consent (LBC), will need to be obtained from Historic England.

8. Responsibility for the project transferred to D Bailey, Head of Transformation and D Macnab, Acting Chief Executive, following the departure earlier in the year of R Palmer, Director of Resources and G Chipp, Chief Executive. A series of update meetings with key stakeholders were then undertaken to ensure an effective handover of the project.

9. Alongside this project [P002] there are number of related accommodation projects which together make up the Service Accommodation Programme [P160]. These include the refurbishment of the Oakwood Hill Depot to accommodation the Housing Repairs Service, and the refurbishment of the Community Safety Hub to accommodation the Council funded community police officers.

#### Next Steps

10. Further work is now required to update the Outline Business Case. The most economically advantageous way to complete this work is through a variation to the contract with Pricewaterhouse Coopers. It should be noted that a Portfolio Holder Decision was signed on 8 May 2018 to vary the contract with Pricewaterhouse Coopers at a quoted cost of

£72,000, funded from the Transformation budget (formally the Invest to Save fund). It is anticipated that it will take 2-3 months to complete this work. This level of spend would usually require Spending Control Officers to seek tenders from a minimum of three companies, but for the reasons previously detailed it was deemed that negotiating directly with Pricewaterhouse Coopers provided the best option on this occasion and a waiver was sought to enable this to be done.

11. This study will arrive at an initial design which will aim our preliminary dialogue with Historic England. Please note that further work will need to be taken to gain Listed Building Consent (LBC) from Historic England, alongside the development of architectural plans, which will be used in planning application and procurement processes.

12. That the Portfolio Holder Decision 'Request to waive procurement rules – Service Accommodation Review Stage 2 – with Contract Variation for Pricewaterhouse Coopers LDR-006-2017/18' (9 May 2018) be noted.

13. A formal report will be brought forward to the Cabinet in September 2018, which will make recommendations for the Council's Service Accommodation, based on the Outline Business Case.

#### **Resource Implications:**

Stage 1 Strategic Outline Case, cost £80,000.

Stage 2 Outline Business Case, cost £109,000.

The contract variation will cost £72,000 from the Transformation budget (formally the Invest to Save fund) to complete the update to the Stage 2 Outline Business Case.

#### **Legal and Governance Implications:**

The Portfolio Holder Decision (LDR-006-2017/18) involved a waiver of the Procurement Rules, which normally requires a minimum of three contractors to be invited to tender where the Total Contract Value is between £50,001 - £250,000.

#### **Safer, Cleaner and Greener Implications:**

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner and Greener initiative, or any crime and disorder issues within the district.

#### **Consultation Undertaken:**

Progress has been reviewed formally by the Transformation Programme Board, Acting Chief Executive, Directory of Communities, Assistant Director (Accountancy), Procurement Manager, Assistant Director (Legal). Informal consultations have been undertaken with the Cabinet and Leader of the Council.

#### **Background Papers:**

Review of the Council's Accommodation, Cabinet Report C-067-2016/17 (9 March 2017) and Equality Impact Assessment, including EFDC Service Accommodation Review – Strategic Outline Case (SOC), to enable the Council to make a decision on whether to progress to Outline Business Case (OBC).

Service Accommodation Programme – Definition Document, report to Transformation Programme Board (03 May 2017).

**Risk Management:**

There are no risk management issues arising from the recommendations of this report.

**Equality Analysis**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an Appendix to this report.