

ACCOMMODATION STRATEGY AND OPTIONS ASSESSMENT PROCESS

BACKGROUND & CURRENT STATUS

The previous office accommodation was leased from Urban and Civic.

Employees have since worked remotely, and when permitted and possible, utilised the limited amount of office space at the Mayor's office at 72/74 Market Street, Ely. Some teams have also conducted gatherings and meetings at third party locations for team meetings and team building.

With the national vaccination programme having progressed and with the gradual opening-up and return to work evolving alongside new Covid secure working practices, the CPCA needs to consider future office needs and requirements. Suitable office accommodation would provide a base for the organisation and a workplace for employees.

An officer working group has now been established to identify and consider options to secure an office accommodation solution.

IDENTIFYING ACCOMMODATION REQUIREMENTS

The effort required to identify and equip office accommodation should not be underestimated and the correct solution can significantly improve the efficiency of an organisation. The standard of accommodation can impact upon recruitment and retention of staff and provide an identity and image for the organisation.

The officer working group has identified principal factors to consider throughout the identification and selection process:

Staff consideration

A staff survey was undertaken in September 2021 to aid understanding of the anticipated accommodation needs of the employees, and to help identify how employees might envisage using any future office.

The staff survey appears to show that behaviours and expectations have changed following the Covid pandemic. Staff anticipate using an office as a hub to meet, communicate and collaborate rather than a place to spend extensive time working at a desk.

The survey revealed that the intended frequency of using an office was varied and it seems reasonable to assume a generic arrangement whereby employees spend 2 days a week working in an office and 3 days remotely or at home. Consequently, the officer working group has adopted a minimum 40% occupancy requirement to reflect that that on average 40 staff will require use of the office at one time.

Many staff preferred a location somewhere in the A1 corridor from Huntingdon/St Neots to Peterborough.

In addition to the findings of the staff survey there is a requirement to be attentive to any equality, diversity or inclusion implications that may arise.

Tenure implications

If a long-term solution is desirable and capital available, the acquisition of a freehold or long-term leasehold property would provide greater asset control and the opportunity to build or modify accommodation to an exact specification.

If capital is not available and less commitment is preferred, then a leasehold property with a revenue commitment will need to be considered. This option is likely to provide less flexibility as lease terms often impose greater constraints.

The officer working group has adopted the working assumption that it will not be preferable to acquire a freehold or long-leasehold property at the present time due to time constraints and the identification of potentially suitable options described below. A leasehold with a term of five years would provide a medium-term solution. The tenancy should fall inside the protection provided by Part II of the Landlord & Tenant Act 1954.

Physical attributes

Size

The office should be able to cater for a minimum of 40 staff members attending on any one day which equates to approximately 40% of the current staff. The availability of meeting rooms would also be required as an additional facility.

Workplace regulations require a minimum working space per employee of 11 cubic metres. In a typical office with 2.4m high ceilings this equates to a floor area requirement of 184 sq.m to accommodate 40 staff, but this does not allow for ancillary factors such as meeting rooms and break out space.

Based on this, the officer working adopted the working assumption of a total floor area requirement of between 465 – 750 sq. m (5,000 – 8,000 sq. ft) of floor space. The range reflects that some options are likely to share facilities such as meeting rooms, and other options will provide exclusive use of facilities. For comparison the former office at Alconbury had a floor area of 702 sq.m that included meeting rooms and break out areas for exclusive use.

Layout

Ideally the layout should be versatile and capable of flexible orientation between large spaces with smaller meeting rooms that could be provided by modern high quality space dividing systems. There should also be informal collaborative space(s).

The accommodation and layout must be accessible for disabled people and may require lifts.

Facilities

High-speed internet availability and futureproofing has been identified as an essential requirement and this is to be confirmed by IT specialists.

Video conferencing facilities will be required to allow external colleagues and stakeholders to join meetings without disturbing other office users. This will require more than one meeting room.

Use of a substantial kitchen or refectory area will also be required and this should be separate from the general working area.

There should be accessible toilets and it would be desirable to have access to shower facilities.

Energy efficiency

Given the combined authority's adoption of the Climate Commissions recommendations, the working group has adopted a working assumption that its offices should have sustainability and low carbon footprint credentials and meet a high energy efficiency standard. An Energy Performance Certificate (EPC) displays the energy efficiency grade of a commercial building. The best result is an A grade (most efficient) and the lowest being G (least efficient).

Accessibility including car parking

An accessible location is important and the accommodation should be convenient for public transport infrastructure as this will complement the authority's carbon footprint.

Convenient access to car parking will be required but this does not have to be on-site. For comparison the former office at Alconbury had 30 allocated car parking spaces.

Accessibility of the building itself and the rooms and spaces within it are also important. A site visit and assessment of this will be made for any shortlisted location options.

Cost

Accommodation is an expensive overhead for any organisation and up-front capital will be required to commit to a contractual agreement and fit-out the accommodation. Typical revenue expenditure includes rent, rates, maintenance, insurance, service charges and facilities management costs.

The overhead incurred with the previous office accommodation at Alconbury amounted to approximately £36,000 per month.

Availability

The officer working group has adopted the working assumption of the commencement of the 2022-23 financial year as a target date for operational occupation.

Additional benefits

Accommodation solutions often incorporate benefits that are not exclusive to each occupier and significant benefits can be derived by sharing facilities or co-locating with similar organisations. Such benefits include shared facilities such as bookable meeting rooms, or café / refectory facilities and these initiatives often generate significant revenue savings.

RECENT ACTIVITY

Recognising the significant cost implications and benefits of co-locating with similar users it was necessary to identify any opportunities that might currently exist from within the public sector. This collaborative approach ensures that elements of expenditure are re-circulated for the benefit of the taxpayer and demonstrates effective utilisation of the public sector property portfolio.

One Public Estate (OPE) partnerships exist across the country to enhance the value of working together across the public sector and adopt a strategic approach to asset management. Officers submitted an accommodation request through the Cambridgeshire OPE group and five partner organisations expressed interest in providing an accommodation solution.

The potential options identified were leasehold and these are listed below:

<u>Partner Organisation</u>	<u>Potential Option Identified</u>
Cambridge City Council	Part of 4 Cyrus Way, Hampton, Peterborough.
Huntingdonshire District Council	Part of Civic Suite, or part of Pathfinder House, Huntingdon.
Fenland District Council	Part of Fenland Hall, March
Peterborough City Council	Part of Sand Martin House, Peterborough
South Cambridgeshire District Council	Part of South Cambs Hall, Cambourne

The officer working group decided that all of these options were to be explored further and in the event that no suitable option is identified, the group can report back before conducting a full open market search.

CRITERIA FOR APPRAISING OPTIONS

The suitability of each of the potential options is to be assessed by the officer working group, which will offer recommendations to the Leaders. This is a complicated task because each of the options has different pros and cons and there are many variable factors to consider.

In order to ensure a fair and transparent method of evaluating each option a scoring matrix has been produced that can be found at Annex A. The officer working group shall assess how each option complies with the requirements identified above and attribute a score in the matrix.

Some requirements are considered to be more important than others, so weightings are to be applied to reflect this before an overall score is calculated for each option. For example, the availability of an asset will be less important than the physical attributes or cost, so a lower weighting factor could be applied to the availability scores to reflect this.

It is proposed that the officer working group shall decide on the weighting factors to apply to the appraisal scores of each accommodation requirement.

SELECTION PROCESS

Following the option appraisal exercise it is proposed that the two highest scoring options will be shortlisted for further investigation and more detailed consideration. This is likely to include negotiating financial terms and full benefits before identifying a preferred option. A recommendation can then be made to a Leaders Strategy Meeting and then the Board.

OTHER ISSUES

Office at 72/74 Market Street, Ely

The offices at Market St, Ely currently used by the Mayor are leased from East Cambridgeshire District Council (ECDC) and the arrangement is due to expire on 31st December 2021.

Terms have been provisionally agreed by officers for occupation to continue and the proposal is to be considered by ECDC's Finance and Assets Cttee on 25th November 2021. If the arrangement is implemented the Combined Authority will be able to serve three months advance notice to terminate the agreement at any time from 30th June 2022.

Office Accommodation Option Appraisal Matrix

<u>Option</u>	ATTRIBUTE							Totals
	Public Transport Accessibility	Staff Considerations inc. car access	Indicative Cost	Energy Efficiency	Physical Attributes/ Versatility	Availability	Additional benefits incl meeting space	
	SCORES 1 = Poor, 5 = Very good							
Civic Suite	5	3	3	4	1	5	5	
Pathfinder House	5	3	3	4	5	5	5	
Cyrus Way	2	3 re-visit if contender	4	3	2	1	1	
Sand Martin House	5	5	3	5	5	5	5	
Fenland Hall	1	1	5	2	1	5	1	
South Cambs Hall	2	2	3	5	4	3	4	
	WEIGHTING FACTORS							
	1.2	1.5	1	1	1.2	0.3	1	
Civic Suite	6	4.5	3	4	1.2	1.5	5	25.2
Pathfinder House	6	4.5	3	4	6	1.5	5	30
Cyrus Way	2.4	4.5	4	3	2.4	0.3	1	17.6
Sand Martin House	6	7.5	3	5	6	1.5	5	34
Fenland Hall	1.2	1.5	5	2	1.2	1.5	1	13.4
South Cambs Hall	2.4	3	3	5	4.8	0.9	4	23.1