

Taunton Deane Borough Council

Executive – 9 July 2014

Council Accommodation

Director of Housing and Communities, James Barrah

(This matter is the responsibility of Executive Councillor Cavill)

1. Executive Summary

This report presents a detailed feasibility study of two future options for Taunton Deane Borough Council Office Accommodation. The two options considered are a new build at Firepool and a move to County Hall. These two options are the Council's preferred accommodation solutions following an options appraisal exercise in December 2013. Members are requested to consider the evaluation and make a decision on the Council's preferred option so that detailed planning, commercial negotiation and project management can commence.

2. Introduction and Context

- 2.1 Taunton Deane Borough Council currently has its main office at Deane House. Deane House was built in 1987 and other than some minor internal changes, has had little refurbishment since then. It performs at EPC (Energy Performance Certificate) Level E and some of its infrastructure is coming to the end of its natural life. The building now needs significant investment.
- 2.2 At the same time the Council has the challenge of meeting an unprecedented budgetary challenge and is considering all ways of cutting overhead costs in order to safeguard investment in front line services. This report therefore further considers the future options for the Council's office requirements.
- 2.3 This review focuses on the future of the Council's main office base and looks at options for this. However accommodation cannot be considered in isolation or purely just as a financial and "bricks and mortar" issue. Whilst this report considers a detailed financial and qualitative evaluation of the two options, in making the key leadership decision on a preferred future solution the Council must be mindful of the following factors:

- That the Council's accommodation solution is just one part of our wider transformation agenda which also includes:-
 - IT enablement.
 - Our approved Customer Access strategy and in particular moving customers away from face to face interactions to more efficient service channels.
 - Agile and flexible ways of working for staff (remote and home working).
 - The implications of JMASS and a single workforce supporting two Councils.

- The extent and ambition of the Council to seize the current opportunity to improve the service provided to customers by joining up services at the point of face to face delivery in a Town centre location with other public sector partners.

- The ability for the Council to be as flexible as possible in future to generate ongoing efficiencies to assist in meeting the challenges of our MTFP, including the likelihood of further reductions in head count.

2.4 Deane House currently offers 4355 sqm NIA (Net Internal Area). It is currently occupied by around 400 staff mainly from Taunton Deane Borough Council and Southwest One. This includes the Southwest One Call Centre. All of these currently have a desk that they consider "theirs". The Audit Partnership and Tone Leisure also have small offices within the building. Occupancy surveys show that desks are vacant for 40% of the time.

2.5 Deane House costs the Council around £650,000 per annum to occupy. Staying at Deane House will involve significant additional cost. The building is too large for the Councils current requirements. A full Condition Survey has been carried out on the building with recommendations of what work is needed to make it fit for purpose office accommodation. The building requires some £4.3M (inc fees) of expenditure on M&E and backlog, of which c. £3M will need to be spent during the course of the next 2-5 years. Without this investment, the Council runs the risk of the building becoming unfit for purpose.

2.6 Other organisations which have chosen to rationalise their office accommodation have at the same time incorporated new ways of working. The outcome of introducing these ways of working is to reduce the amount of office space provided utilising the fact that desk spaces are occupied on for example a 60% basis. So in this case every ten employees would be provided with six workstations. These programmes are described as "Smart Office" or "Agile Working" and rely on investment to enable the ongoing savings to be made. The terminology we have adopted is "Smart Office".

2.7 The evaluation of our accommodation needs includes a range of qualitative criteria, including the importance of a flexible accommodation solution. In addition the evaluation focusses on a “best assessment” of the accommodation needs for the Council as we currently understand them. However it is important to note that this context continues to evolve and change with increasing pace, and as such our accommodation requirement will continue to alter. Key known variables that will have an influence on this issue to a greater or lesser extent include:-

- Contract end for Southwest One 2017 and the extent of any shared services (eg Call Centre) post any decision regarding the future of Southwest One.
- The extent of utilisation of West Somerset House in light of interest from other partners.
- End of present contract for Tone Leisure, 2019.
- Depot relocation project.
- Extent of IT investment and enablement.
- Outcome of JMASS staff proposals.
- Materialisation of community hubs where Taunton Deane Borough Council’s staff may be located eg Halcon and Priorswood.

2.8 A DTZ study from as far back as 2008 (“Local Authority Office Accommodation: A determination to Change”) stated two key findings from their survey of local authorities’ approach to accommodation:

- Reductions in space per employee and improved sustainability credentials were cited as the main achievements; nearly half of the Councils believed that major change projects had significantly contributed to improvements in staff performance.
- Over 40% of respondents reported significant success in implementing new work space strategies including flexible working, improvements in space utilisation ratios and reductions in staff to desk ratios.

2.9 In the last five years since this study, many authorities have embraced this change, including several within Somerset (Somerset County Council, Mendip District Council, Sedgemoor District Council). All have found that it is possible to reduce desk space requirements by circa 40% by introducing new ways of working and investing in modern office space and equipment. All have then sought to share accommodation with other public and community sector

colleagues in order to minimise overhead costs. This sharing has brought the additional significant benefit of closer working between organisations and improved access for customers by introducing one stop shop approaches.

- 2.10 An example of this approach is “Shape Mendip”, based in the District Council Offices in Shepton Mallett. Here the District Council hosts Somerset County Council, the Police and a range of many other public sector agencies and partners at the Council Offices in Shepton Mallett. The facility is branded as “Shape Mendip” and not any single organisation and offers customers an increasingly joined up service at a refurbished reception facility. The refurbished offices now accommodate a greater number of staff, consequently freeing up other public sector assets for regeneration or release of capital receipts.

3. Background

- 3.1 During the second half of 2013 an internal review and high level option appraisal was undertaken. This work culminated in the following Council resolution:-
- (1) The Key Principles against which the Council’s future accommodation needs would be made be accepted as the correct ones;
 - (2) Option 3 – Move to County Hall and Option 4 – New build at Firepool be adopted as the preferred options for the provision of the main office base of Taunton Deane Borough Council as the options which best met the Key Principles; and
 - (3) Officers be requested to carry out full feasibility reports on the preferred options.
- 3.2 Following this and subsequent to a procurement process, the property consultancy “DTZ” were appointed to undertake detailed feasibility study of the two preferred options. The confidential report at Appendix 1 is the culmination of this stage of the exercise.

4. Review Process and Criteria

- 4.1 During the course of the review a refresh exercise of the previous assessment undertaken by Taunton Deane Borough Council has been undertaken with regard to Taunton Deane Borough Council’s floor space requirements, and financial assumptions. This provides some fine tuning of the previous work and also allows the utilisation of Deane House as a baseline or comparison with which to contrast the two options being assessed.
- 4.2 The review process has also included further engagement with elected members to re-test the Key Principles used in the qualitative evaluation exercise. This has

resulted in confirmation that the principles being used are the correct ones and established a ranking of these issues, as follows:

Key Principle	Rank
Asset Retention	1
Premises that are able to change as the authority changes (expand/contract)	2
Opportunities to add value by close working or shared/integrated services with other partners	2
Improvement in environmental sustainability	4
Located within Taunton	4
Make sense for the public purse/taxpayer (public perception)	4
Support the regeneration of Taunton	7
Deliverable within the next three years	8

4.3 In addition the review process has now included consideration of potential increased usage of West Somerset House to accommodate the single staff structure supporting both Councils. There is the potential for additional workstations to be provided in West Somerset House on the basis of a more efficient desking layout and the introduction of Smart Office ways of working, thereby reducing the Taunton space requirement. However this would require some one off enabling investment to achieve the full potential capacity of this office; be subject to member approval at West Somerset Council and would require a payment from Taunton Deane Borough Council to West Somerset Council to ensure there is not any cross subsidy taking place between the two authorities. Consequently two floor space requirements are considered in the report dependent on whether full utilisation of West Somerset House can be made.

4.4 The appraisal process brings together two areas of analysis:-

- (1) Financial. A discounted Cashflow Model is utilised, this enables the projected costs of each option over a 25 year period, with a discount factor applied to convert the aggregated sums into Net Present Cost (NPC). The NPC's are then capable of direct comparison.
- (2) Non Financial. The options are tested against the Key Principles outlined above, with weighting applied to reflect the ranking of these principles applied by members.

5. Firepool Option Overview

This option incorporates a new build development immediately adjacent to the new Viridor building. Within this two sub options have been considered:- a 25 year commercial lease; and a Long (999 year) Lease (Virtual Freehold). Dialogue has been maintained with the Council's development partner (St

Modwen) throughout the review process. It is important to note that St Modwen's ability to provide a building exclusively for Taunton Deane Borough Council's use based on a reduced space requirement for Taunton Deane Borough Council is restricted. It is therefore likely that a larger building would be provided with the remainder of the space built on a speculative basis. Therefore Taunton Deane Borough Council would be sharing the building with another tenant(s). As part of an ongoing dialogue with St Modwen a number of further variants options have been considered including a smaller building for sole TDBC occupancy. However none of these have improved the financial evaluation of this wider option.

6. County Hall Option Overview

Throughout the life of the review the plans for a Taunton Public Service Hub at the County Hall site have continued to evolve. The "offer" from Somerset County Council is to occupy refurbished Smart Office accommodation in either A or B block. This will include a new shared public reception and new shared member debating space centred around A block. The reception area may involve a new glass atrium/extension between A and B blocks, incorporating other partners and services such as the Library. As outlined in the DTZ report there is significant interest from a wide range of other public sector organisations in coming to the site, primarily relating to a refurbished C Block. Firm intent has been expressed by the Police.

The County Council intends to make its investment decision on the redevelopment of County Hall as a public sector hub in the next few months. This is so it has enough time to get the accommodation ready to meet the deadlines set by other public service agencies moving to the campus. If the Council wishes to shape the design of County Hall to meet its own needs then there is an imperative to confirm its intention this summer.

7. Option Assessment – Overall VFM Outcome

Once both the Financial and Non-Financial Scores are finalised, the two scores are combined to derive an Overall Value for Money Outcome.

Before the scores are combined, a weighting is applied to represent the comparative importance of the Financial and Non Financial elements. It has been agreed that Financial aspects carry more importance to the Council than the Non Financial aspects. The overall agreed weightings were, therefore, financial 60% and Non Financial 40%.

In addition, it was recognised that there were different elements of the Financial analysis that would carry different weightings. As agreed with the Council, different weightings applied to these also as follows:-

- Revenue Costs 45%
- Capital investment 30%
- Longer term impact (Net Present Cost) 25%

The following is the outcome of the Overall Value for Money assessment:

	60%	40%	100%	
	Financial Scoring	Qualitative Scoring	Total Combined Scoring	VFM Ranking
DH SQ+	48.67	95.15	67.26	4
SCC 25- Year Lease	97.68	100.00	98.61	1
Firepool LL	73.46	98.79	83.59	2
Firepool 25 Year Lease	76.09	68.48	73.05	3

The above concludes that, when combining the Financial and Non-Financial scores, an accommodation solution at County Hall is shown to be the best overall Value for Money Option.

A Virtual Freehold at Firepool ranks in second place.

Remaining in occupation of Deane House and investing in the building fabric and services, ranks in last place.

8. Deane House Disposal

Both the options under consideration assume the subsequent disposal of Deane House and the wider site. Resource will need to be targeted to address this issue and to ensure the Council does not retain a costly liability and that the financial and regeneration benefits of this key town centre site are realised for the benefit of the Council and the Community.

Options to be considered and progressed for the site:

- Straight unconditional sale.
- Seek outline planning permission and then dispose.
- Unconditionally or conditionally.
- Unconditional sale in part or plots.

Other Joint Venture type proposals where the Council retains an interest in the site in conjunction with a partner organisation will also need to be assessed.

9. Potential Next Steps

Any agreement to move Taunton Deane Borough Council's accommodation from Deane House to either County Hall or Firepool would involve many substantial next steps and tasks to implement, this in turn will require significant resource. A more detailed assessment of these tasks and potential timescale is included in the DTZ report, however these steps can be summarised in the table below:-

Role/Task	Responsibility	Source internally or externally
Lead Member And Director Project Sponsor	To take overall responsibility for the Project. To act as the main point of Senior Contact within the Council. To provide updates to Members. To monitor the overall budget and spend related to the Project.	Internal
Project Management (internal)	To take responsibility for the day to day progress of the project and the Project Programme. To liaise with Officers and Advisors as necessary to monitor their activities and performance against the agreed programme.	Internal
Project Management (external)	To take overall responsibility for the performance of the External Advisory Team eg the agents, the works administrators and the development consultants. To act as the main point of Senior Contact within the External Advisory Team liaising regularly with the Project Champion. To attend Member presentations. To monitor the overall spend of the External Advisory Team against the agreed advisory budget.	External.

	To recommend and co-ordinate additional advisory services (eg space planning, valuation, planning) if essential to the delivery of the Project.	
Agency	<p>To negotiate Heads of Terms for the occupation of Block A.</p> <p>To instruct solicitors to draft the Agreement for Lease and Lease.</p> <p>To comment on the drafting of the Agreement for Lease and Lease as required ensuring it meets the Council's requirements.</p>	External
Space Planning	<p>To undertake space planning at:</p> <p>West Somerset House County Hall</p>	External
Due Diligence	To undertake a survey of the appropriate Block at County Hall to ascertain potential future repairing obligations.	External
Fit Out and Works Monitoring	<p>To agree the layout and the application of the Smart Office specification to TDBC space.</p> <p>To liaise day to day with SCC's Contracts Manager.</p> <p>To represent TDBC at site meetings (potentially weekly once works are on site).</p> <p>To monitor the quality of workmanship and progress against an agreed programme.</p> <p>To monitor costs (if they impact upon TDBC).</p> <p>To sign off practical completion of the fit out works.</p>	External
Development	To prepare a Development Brief and	External

<p>Consultancy (and planning)</p>	<p>Marketing Strategy for Belvedere Road.</p> <p>To co-ordinate any pre disposal site/value maximisation activities.</p> <p>To act on the Council's behalf in the disposal of Belvedere Road.</p> <p>To confirm that Best Consideration has been achieved.</p> <p>To act on the Council's behalf in the submission of an outline planning application (if required).</p>	
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10. Project Management Costs

Some cost estimates have been acquired to support the project via external project management support and other professional services. These will be subject to further negotiation and suitable scrutiny via procurement.

The anticipated third party costs to see the project through to completion in 2017 are in the region of £250,000. This figure includes the costs associated with the disposal of the Deane House site. It is important to note that these costs would be incurred for both new accommodation solutions being considered.

It is therefore recommended a budgetary provision is made of £250,000 for project implementation split proportionately between the General Fund and Housing Revenue Account.

If members do not agree to progress the recommended option and therefore remain at the Deane House site, this will also necessitate significant project management costs in order to scope and procure the investment required to allow ongoing occupation of Deane House.

11. Consultation and Governance

At the time of the previous report on this matter a consultation response was provided from Unison which was considered by the Executive in making its decision at that time on the two preferred options.

Subsequently a further response to the current report has been provided by Unison. This is attached at Appendix3.

Following establishing the Councils preferred option a staff consultative and working group will be established to assist the project team in moving the issue forward.

A small working group of Members has been established to assist with the project. To date some site visits have been undertaken. In addition a Members Briefing session was held recently where representatives of Mendip District Council (Shape Mendip), Somerset County Council (County Hall) and St Modwen (Firepool Option) provided further background information on what has been achieved elsewhere and the options being considered by the Council. It has been suggested that there could be some benefit in a representative member group to have an oversight of all our transformation work. This could be an evolution of the "JPAG" arrangement set up for the JMASS project.

In addition a staff working / consultative group will be established to support the detailed design of the project and provide detailed operational feedback. This will be set up once a preferred option is identified.

The report was considered by Corporate Scrutiny on the 19th June, who did not support the recommendation. Concerns were raised about the Qualitative aspects of the assessment, future parking provision and the potential loss of a Council Asset.

The report has also been considered by the Tenants Services Management Board on the 30th June. The board were split on the issue with some members of the Board supporting the recommendation and others not. In terms of detailed design of any future option the board were particularly concerned to ensure there will be adequate provision for services to tenants, such as payment facilities, interview rooms and visitor parking. In relation to the Deane House site the board were keen to support a potential future use for affordable housing provision.

12. Finance Comments

Given the nature of the financial comments these are on a confidential paper, this is attached at Appendix 2.

13. Legal Comments

At this stage there are significant legal implications to consider however significant legal input will be required once a preferred option is identified.

14. Links to Corporate Aims

This work is a key project identified in the Council's current business plan under Aim 4: A Transformed Council and to Transform the way we work.

15. Environmental Implications

Deane House currently operates at an EPC rating of E. The two options considered will improve this position:

Option 1: New Build Firepool – Likely EPC rating A/B.

Option 2: County Hall – Predicted EPC rating after refurbishment is B or good C.

16. Community Safety Implications

No significant implications identified.

17. Equalities Impact

A high level assessment suggests both options do not raise any specific equalities issues. However once a preferred option is identified a detailed Equalities Impact Assessment will be undertaken.

18. Risk Management

Key risks of the options have been considered as part of the feasibility study. Once a preferred option is known a full risk assessment of the project will be undertaken as part of the project management process.

Risks that will be included in this process include:-

- Mitigation and “plan B” if the preferred option does not materialise for example if agreement is not reached on heads of terms.
- How reliant the options are on the participation and sign up by other partners?
- Delays on the disposal of the Deane House site.

19. Partnership Implications

The two options considered present varying degrees of opportunity to align the work of the Council more closely with key partners, most notably the County Hall option presents a significant opportunity to further join up services with SCC, ASP etc by the creation of a public sector campus at County Hall.

20. Recommendations

That Executive recommend to Full Council:-

1. That the Council's preferred option for its main office accommodation, reception and member debating space is at County Hall, subject to the County Council confirming its intent to develop the site and the agreement of Heads of Terms, detailed commercial negotiations and design.
2. That delegated authority is provided to the Director of Housing and Communities to progress this project to completion, in consultation with the Portfolio Holder for Asset Management.
3. That a Supplementary Estimate of £250,000 for project related costs, funded by £210,000 (84%) from General Fund Reserves and £40,000 (16%) from HRA Reserves based on the current level of usage of Deane House by General Fund and HRA services.
4. That approval is provided to initiate steps to facilitate either the disposal of the Deane House site on the most favourable terms or entering into a regeneration project which enables retention of the site and derives benefit to the council.
5. Subject to 4. Above that a suitable investment will be made in an income deriving asset of equivalent value to the receipt derived from the Deane House site disposal.

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Background Papers

Taunton Deane Borough Council's Executive Report 4 December 2013 – Future Options for Council Accommodation.

Appendices

1. Confidential DTZ report: Operational Offices Options – Value for Money Assessment – June 2014.
2. Confidential paper – financial comments section.
3. Unison response.

Appendix 3

Council Accommodation

Comments from UNISON

General

The proposal shows signs of being an attempt to rush Taunton Deane into renting space at County Hall, even though this is arguably not the best option for the Borough Council, its staff or the future of Taunton. It also seems doubtful that it is in fact cheaper than a new-build office at Firepool.

Nowhere does the report address the negative economic impact that closing its offices would have on the north end of the town centre. This is likely to be quite significant. Elsewhere, public investment in new buildings continues to be used as a tool of regeneration – Taunton Deane is proposing to disinvest, with the associated economic decline.

It seems wrong for the crucial information on which a decision will be taken to be contained in a confidential appendix. The financial information and assumptions must be placed in the public domain, and not hidden behind a cloak of ‘commercial confidentiality’.

Comments on the Report by the Director of Housing and Communities

- 2.3 ‘Moving customers away from face-to-face interviews’ is a concept that has recently been criticised by the National Pensioners Convention – millions of older people are not on line, and are unlikely to acquire access to the Internet in the foreseeable future.
- 2.9 The ‘Public Sector Hub’ idea is based on an urban myth. People do not approach the Council on, say a planning or environmental health issue and then decide to engage with a range of other, unrelated public sector services.
- 2.10 The example quoted of the ‘hub’ at Shepton Mallet is different in one very important respect to what is now being proposed. In that case, Mendip District Council retain control of their own offices – as do all the other Districts in Somerset. The District Councils are then able to rent space to other agencies. This is the exact opposite of what is being proposed for Taunton, which will leave the Borough Council as a tenant.

The ‘hub’ concept may therefore work for the other Districts, but it does not work for Taunton Deane, and will leave the Borough Council in the unique position amongst the other Somerset Districts of having no accommodation of its own.

Once the Borough Council moves in to rent part of County Hall, it will have the

County Council's 'thumb on its windpipe'. There is no guarantee that the occupation of part of County Hall would in future not become markedly less convenient or more expensive from the Borough Council's point of view – the situation will be largely outside its control. This is conceded by the Council's own finance officers who state that '...although a 6% cap has been factored in for the first 5 years, we currently have no indication of how the lease/rental cost may move beyond that horizon'.

There is another sense in which it would be wrong for the Borough Council to end up as a tenant of the County Council. County Hall has empty space in significant part because the authority has deliberately cut staff and services, to the point that some of the latter are now almost laughably bad. (The County can't even cut the highway verges regularly in Taunton). It is not clear exactly what value would be added (to use the jargon) by moving in with the County Council. Taunton Deane will in reality be paying rent to subsidise a cuts programme by a County Council which has already managed to part company with two Chief Executives, and is if anything diverting investment away from Taunton Deane to other parts of the County (exemplified by its designation of the modest town of Frome as a growth area).

- 4.2 Although there is inevitably a degree of subjectivity in these exercises, it seems hard to justify why 'public perception' should be given such a high rating. Surely what matters is what is genuinely the best value for money. It would be a mistake to base a decision on a hypothetical, superficial public reaction to a new council office building if that was actually the more cost-effective option. Besides, the Council could also point to its vacation and sale of the much larger site of the Deane House.

Other local authorities, such as Northamptonshire, are proposing new council office buildings to allow them to vacate rented accommodation elsewhere in their area. Yet Taunton Deane is proposing to sell its own accommodation, move some of its staff to less convenient locations and pay rent to another party!

- 4.3 It seems clear that plans are being considered to require up to 115 Taunton Deane staff to work from West Somerset House at Williton. Apart from being extraordinary to suggest that one third of the Council's workforce should be relocated 15 miles away in a neighbouring local authority, this does not seem physically possible. It is not solely a question of accommodating the additional desks within the offices at Williton. The centre of Williton would not be able to accommodate the car parking required by the additional staff (at times it is already almost impossible to find space to park at Williton), and being in a much more rural location than Taunton, most people will have no option but to drive to work.

One can well imagine the reaction from traders and the local community who would find that their car parks were full up with Council employees, and that there was nowhere for shoppers etc. to park.

Williton would also be a highly inconvenient location for many TDBC employees to have travel to work – as well as being 15 miles (35-40 minutes)

from Taunton, it is very much further for people who currently live south, east or west of the County town. Already a great deal of time is being staff by staff travelling between Taunton and Williton – a round trip takes 1 – 1.5 hours out of the working day.

- 4.4 It is not clear why a DCF (discounted cash flow) of 25 years is used. A new office building could be expected to have a significantly longer life than 25 years. Use of a shorter period of time could well have the effect of skewing the analysis. 60 years is used for some forms of transport investment.

After 25 years the Borough Council will be in inferior office accommodation at County Hall that will then be 75 years old (over 100 years in the case of A Block).

- 6.0 The Taunton Public Service Hub seems a deeply flawed concept, for a variety of reasons. For example, it seems extraordinary for it to be suggested that the library might be located there, and on the first floor – County Hall would not be a convenient location for users of the facility, being remote from the main shopping area; indeed almost invisible from any public thoroughfare.

If the library is not to occupy its current site in Paul Street, the question arises as to what will happen to the Borough Council's Tourist Information Centre. That cannot sensibly move to County Hall – it needs to be in an accessible location in the town centre for visitors to Taunton (as indeed, does the library!)

It seems clear that this proposal is being rushed through to suit the County Council's internal deadline for its 'public sector hub'. It would be entirely wrong for this to occur – adequate time must be allowed for any proposals to be formulated, and concerns properly answered.

- 8.0 The proposal appears to rely on a rushed sale of the Deane House site within 3 years. Such haste seems highly unlikely to result in an acceptable form of development on what is a key site in the middle of Taunton. It seems that Planning Policy staff have not been consulted about this, which seems wholly unacceptable. The Council will also need to address the future of Flook House, whose position prevents the Deane House site from having a proper frontage to Station Road. This is not mentioned anywhere.

- 9.0 Although the report refers to 'be that County Hall or Firepool...' the references in the ensuing table imply that County Hall has already been decided upon and that this process is not therefore a genuine consultation on alternatives. Given the major implications for the terms and conditions and staff arising from a change of workplace location, this is not appropriate. As already noted, some aspects of what is being proposed appear fundamentally unsound.

Comments on the DTZ paper

It is not clear why it apparently costs 8 times more per annum to occupy Deane

House than the annual energy costs. No breakdown is given to support the statement made.

Why has the option of a new build on the Council's own land, rather than a virtual freehold or lease, not been addressed?

Section 2 – Future Operational Office Requirement

Whilst DTZ state that the current space standards at Deane House are too generous, there is reason to think that the standard proposed of 6 sq m per person is too low: staff in Sedgemoor have sometimes found themselves with nowhere to work owing to too few desks having been provided. Forcing staff to work at home to alleviate space problems would not be acceptable.

As already noted, the suggestion that up to 115 Taunton Deane staff may in future work at Williton, is not realistic. Such a proposal raises serious concerns in terms of staff travel to work, and parking at Williton (which is in short supply already).

Section 4 – Overview of the Options

It seems clear from the DTZ report that no other public sector organisation has actually committed to taking up surplus space at County Hall. The County Council may well be seeking to induce Taunton Deane to move there to stave off the embarrassment of its 'public sector hub' not actually working.

The Borough Council is being offered part of Block A at County Hall, which is a listed building accompanied by the constraints that this designation imposes.

It appears that the County Council is only prepared to make 900 sq m of floorspace available, which is substantially less than the Borough Council requires. Even on this basis, however, it appears that Taunton Deane will have to pay an annual rent plus rates of around **£250,000**.

It appears that the County Council propose to charge TDBC a substantial sum for each parking space they require as part of the relocation. The County Council are proposing to allocate 25 parking spaces to Taunton Deane, but this figure is grossly inadequate.

Taunton Deane currently has around 65 'Essential car users', and there is no reason to think that this number will decline in future. It may even increase, given the emphasis on shared services and greater travelling between sites, as staff will be required to cover a wider range of duties. On top of this, there are also around 100 employees who are defined as 'casual users', many of whom are currently able to park at The Deane House.

The Borough Council would have to fund the purchase and running costs of additional pool cars, and provide space for them on-site, to meet the travel requirements of staff who would no longer be able to bring their own vehicle to the Council's offices.

Essential car users have contractual rights, which despite previous comments from UNISON, the Council is clearly ignoring. This risks the possibility of a dispute with its employees over staff travel, as well as interfering with the efficient conduct of the Council's business.

The provision of parking based on TDBC's current operational requirements is likely to cost the Council **an additional £100,000** per annum. This would increase the running costs at year 5 by 16% per annum – around 20% more than the Firepool option – a much more substantial difference than appears to have been allowed for.

The difference would be even greater based on the revenue estimates of the Council's own finance officers.

For reasons explained, the assumed figure in parking charges that would have to be paid to the County Council appears a significant underestimate.

The quality of accommodation in Block A can only be guessed at, as there will be no 'comfort cooling'...

Section 6 – Options Assessment – Financial

The figures need to be recalculated taking account of the need to pay for more than 25 car parking spaces in the County Hall option, which will increase significantly the Running Costs. Also, the DCF should be varied.

Section 7 – Options Assessment – Non-Financial

Tables such as the one in this section should be treated with scepticism.

No analysis has been attempted of the negative impact on the Station Road area of the closure of the Borough Council's activities.

No analysis has been undertaken of the negative effect of the Borough Council failing to invest in its own regeneration scheme at Firepool – a marked contrast to locations elsewhere in the country.

Phil Bisatt
Branch Secretary, Taunton Deane UNISON
13 June 2014