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Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Council Temporary Office Accommodation – Harvester House
Date:	20 June 2008
Reporting Officer:	Mr Trevor Salmon, Director of Corporate Services Ext: 6083
Contact Officers:	Mr Gerry Millar, Director of Improvement Ext: 6217

Relevant Background Information

Members are aware of the urgent need to find alternative temporary office accommodation in the City centre as a result of imminent redevelopment proposals for Clarendon House that have now been submitted to Planning Service by the building's new owners. Notice to Determine Council's occupation in Clarendon House has now been served effective from 23rd November 2008. Members will also be aware of the continued overcrowding, not only experienced in Clarendon House, but also now evidenced within the Cecil Ward Building.

A Notice under the Belfast Improvement Act requiring essential remedial work was served on Clarendon House as a result of falling masonry from the Adelaide Street façade. Short-term solution has been to remove any visually obvious loose/dangerous masonry from the building but this is very much a temporary measure pending its demolition.

Pending completion of the City Hall refurbishment and in addition to displacement of staff and services from Clarendon House Council will have other temporary accommodation requirements arising from the imminent surrender of Callender Street premises and the forthcoming need to renew short term tenures in both Linenhall Exchange (Feb 2009) and Scottish Amicable buildings (Jan 2011)

Members have previously been advised of only two City centre office buildings that meet the specific occupational requirements of Building Control and of suitable size and availability on a short term basis that could accommodate Council's immediate needs - namely Fanum House and Harvester House. Due to the standard of accommodation in Fanum House it was deemed an unsuitable option for the relocation of Council staff. Relevant Council officers have inspected Harvester House and concluded that it would, with an appropriate degree of refurbishment, be suitable for Council's short term accommodation requirements.

At its meeting on 14th March 2008 the Strategic Policy & Resources Committee authorised the Director of Corporate Services to enter into negotiations for additional

accommodation in Harvester House.

Negotiations have been progressed with the agents for Harvester House that will address both Council's immediate need for office space and also provide some scope to deal with subsequent events that will impact on Council's ability to provide suitable short term City centre accommodation for continued effective delivery of its services.

Key Issues

- Current occupation of Clarendon House

Section	Area	Staff
Building Control (part ground and 1 st floors)	Part ground – 2,100 sq ft	12
	1 st – 6,854 sq ft	60
Cleansing (2 nd floor)	2 nd – 6,900 sq ft	58
Total	15,854 sq ft	130

- Results from a recent satisfaction survey of staff in Building Control (**Appendix 1**) have concluded a very negative view of current accommodation which is in stark contrast to the high levels of satisfaction of staff recorded within other facets of their working environment.
- Harvester House presents an opportunity to explore solutions to current overcrowding in Cecil Ward Building and provide the means to manage other short term Leases that are due to terminate within the coming two to three years.
- The currently available office accommodation in Harvester House is spread over 5 floors totalling 20,524 sq ft (**Appendix 2**) In order to match Council's occupational requirements to the configuration of the available space in these premises will necessitate leasing the entirety of accommodation currently on offer.
- Harvester House provides the essential requirement for Building Control to occupy ground floor accommodation (totalling 4,396 sq ft) with "back office" space available on the immediately adjacent 1st and 2nd floors (9,089 sq ft) The contiguous accommodation on the 3rd and 4th floors (7,039 sq ft) would also provide sufficient space to relieve the overcrowding that is currently experienced by Cleansing.
- By taking all available space in Harvester House Council has strengthened its negotiation position and provisionally agreed the following terms:
 - Term of 5 years
 - Rent based on £11.50 per sq foot (£236,026)
 - Initial 12 months of the term rent free
 - Service Charge payable currently £4.30 per sq foot
- Total annual cost (excluding rates) £324,279
- It is necessary to carry out refurbishment of Harvester House to an acceptable standard including data cabling. The refurbishment contract would be procured through Facilities Management and costs offset by the following savings:

• Rent free period	£236,000
• Contribution by Clarendon	£100,000
• Reduced rent	£102,000
• Planned refurbishment of Clarendon	£100,000

Total **£538,000**

In order to effect an early surrender of Council's tenancy in Clarendon House at least by end of August 2008, thereby facilitating early vacant possession for redevelopment, the owner of Clarendon House is willing to pay a premium of £100,000 towards any relocation/refurbishment expenditure incurred by Council.

Resource Implications

Financial

- The occupational cost of Harvester House is offset by the currently incurred occupational costs of Clarendon House and Callender Street premises which total £223,331 (rent & service charge but excluding rates)
- Financial contribution from owner of Clarendon House in recognition of early surrender of Council occupation and initial 18 months rent free in Harvester House will assist in offsetting relocation to these alternative short term premises.

Asset and Other Implications

- Relocate to a single office building of suitable location, size and specification is considered more cost effective rather than further split Council's temporary requirements over multiple premises that individually would require fitting-out and suitable data communications installed to each.

Recommendations

Members are asked to note the detail of this report and

- a. to approve the leasing of additional office accommodation in Harvester House that will also address the loss of space currently faced in other temporary City centre office accommodation, subject to a satisfactory Lease approved by the director of Legal Services,
- b. to approve the refurbishment of Harvester House,
- c. to receive a further report on options for Council's anticipated office space requirements in the longer term at a future date.

Key to Abbreviations

None

Documents Attached
Appendix 1 – Building Control Staff survey Appendix 2 – Available office space in Harvester House



Conclusions



Areas where Building Control is performing well

- Levels of satisfaction within BCS are very high and have increased further in the last year from 83% to **91%**
- **96%** agree that investing in people skills and people development is a high priority – yet 13% have not met to discuss personal development in last years
- **90%** agree their team works well together
- **100%** agree that they know what is expected of them
- There is increased support for PIs





Areas where Building Control is performing well

- **97%** understand the need for change and **92%** support it
- **89%** say that they usually or always have trust and confidence in their line manager
- **61%** feel management skills have improved
- The percentage who feel they are kept either fairly or well informed has increased from 90% to **96%**

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Areas where Building Control is performing well

- **93%** agree with the service values
- **97%** agree that the service is open to new ideas and **88%** believe any suggest they put forward will be taken seriously
- **89%** believe they are fairly treated
- **100%** agree that they are personally responsible for customer care
- **89%** would speak highly of the services provide and **91%** would speak highly of BCS as a place to work

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Areas for improvement

- **86%** are dissatisfied with their working environment
- **13%** have not had review meeting with their manager in last 12 months and **23%** do not have an updated PDP
- **16%** disagree that all manager interact well across the service
- **52%** did not agree that communication were good across different teams

Appendix 2

Available office space in Harvester House

Floor	Area
Ground	2,096 sq ft
Ground	2,300 sq ft
1 st & 2 nd	9,089 sq ft
3 rd (part)	4,100 sq ft
4 th (part)	2,939 sq ft
Total	20,524 sq ft

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