

Report to the Deputy Leader of the County Council
Report submitted by: Director of Corporate Commissioning
Date: 23 January 2017

Part I

Electoral Division affected:
Lancaster East

Property Strategy - White Cross Education Centre (Mill 14)

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Executive Summary

White Cross Education Centre (Mill 14) in Lancaster is one of a small number of premises which has been identified as a main office location, and as a neighbourhood centre through the Property Strategy agreed by Cabinet in September 2016. Additional office capacity is being provided within Mill 14 to facilitate the vacation of Fraser House, Hampson Green and Palatine House. It should be noted that Fraser House comprises office accommodation, reception area and meeting room facilities for public facing services and the intention is to provide a similar range of requirements at Mill 14.

The Property Strategy (Neighbourhood Centres) report presented to Cabinet in September 2016 outlined proposals for Mill 14 to include the front facing Registration Service, to be re-located from existing premises delivering the service in Lancaster, Wellbeing, Prevention and Early Help (WPEH) 12-19+, support for families and the Youth Offending Team (YOT).

This report sets out progress at Phase 1 in developing the building to accommodate future use and seeks approval for a contribution towards costs from the Property Portfolio Rationalisation (Neighbourhood Centres Suitability Investment) capital allocation. It also recommends a review of the proposed Phase 2 works to ensure the building can be used to the most effective and appropriate use in future.

Recommendation

The Deputy Leader of the County Council is asked to:

- (i) Approve the continuation of Phase 1 works through to completion and move services in to Mill 14 when available in mid-February 2017;
- (ii) Approve the additional fire safety measures to be carried out on the Ground and 1st floors as part of the Phase 1 works;
- (iii) Approve that the costs of the Phase 1 works (final total £1.765m including fire protection and fire doors) are funded from the following three sources a) a contribution of £0.165m from the 2016/17 corporate revenue Repairs and Maintenance budget, b) use of £0.727m Asset maintenance earmarked reserve and c) the balance of £0.873m from the £20m Property Portfolio Rationalisation (Neighbourhood Centres Suitability Investment) budget in the corporate block of the capital programme; and
- (iv) Approve a review of the proposed Phase 2 works to the building.

Background and Advice

White Cross Education Centre (Mill 14) in Lancaster is one of a small number of premises which has been identified as a main office location, and as a neighbourhood centre through the Property Strategy agreed by Cabinet in September 2016. Additional office capacity is being provided within Mill 14 to facilitate the vacation of Fraser House, Hampson Green and Palatine House. It should be noted that Fraser House comprises office accommodation, reception area and meeting room facilities for public facing services and the intention is to provide a similar range of requirements at Mill 14.

The Property Strategy (Neighbourhood Centres) report presented to Cabinet in September 2016 outlined proposals for Mill 14 to include the front facing Registration Service, to be re-located from existing premises delivering the service in Lancaster, Wellbeing, Prevention and Early Help (WPEH) 12-19+, support for families and the Youth Offending Team (YOT).

Notice was given by the County Council under its lease with Lancashire County Developments Limited for the vacation of Fraser House and in order to align the redevelopment of Mill 14 to provide office accommodation with that notice, work commenced in autumn 2016 with an initial completion requirement of mid-January. The notice period was subsequently extended. The additional redevelopment work required to facilitate the delivery of the WPEH, YOT and Registration Service was incorporated in to this programme of works. Contractors have been engaged through the Framework arrangement and have been on site since 31st October 2016. Refurbishment work has been designed to satisfy accommodation requirements with regards to occupancy; health and safety requirements and service specifications in

relation to specific service requirements. Throughout this process costs have been challenged and only essential works have been incorporated in to the work plan. The work programme has been divided in to two phases to enable the existing staff working in the building to continue to be located there through the development phases. The Adult College vacated the building over the summer in 2016 leaving the upper two floors (2nd floor and 3rd floor) unoccupied.

1) Phase 1 of the Project

Phase 1 comprises:

- the refurbishment of the 2nd and 3rd floors to create office and meeting room accommodation from existing classroom layout; and,
- the demolition of existing structure on the Lower Ground Floor and redevelopment to create separate secure reception facility and facilities required to deliver YOT and WPEH services.

The 2nd and 3rd floors are being stripped of redundant fittings but no structural work has been necessary, the objective has been to accommodate office uses in the existing former classrooms and meeting rooms with the minimal work. Rooms such as the Training kitchen and 'Gallery café' catering facility and Pottery Studio (Lower Ground Floor), are to be left undisturbed to avoid expenditure. On completion of works the terms of access to the Pottery Studio will be negotiated with Lancashire Adult Learning.

Nevertheless, this has inevitably involved substantial electrical lighting, power and ICT work. However, where issues exist with general maintenance, decorations, heating and ventilation and they can be left for future planned maintenance no immediate work has been included in Phase 1. It is proposed that a 5 year planned maintenance programme is developed for the whole of Mill 14, to enable ongoing general maintenance to be planned on a proactive basis.

To enable the current programme to be delivered new furniture has been purchased from a local supplier for these floors with delivery taking place in December 2016. Whilst fire escape provisions appear satisfactory it has been necessary to replace doors on the routes to the staircases and improve the fire resistance of corridor walls and ceilings, and replace suspended ceilings. In the Lower Ground it has also been necessary to install fire protection to the steel beams supporting the Ground Floor and the 3rd floor.

Phase 1 does not include any works on the Ground or First Floor as these are currently offices being used by staff located at Mill 14. The front facing reception area on the Ground Floor has been closed and is currently being used for storage. A site security reception will be in place at this main entrance for the duration of the works.

Upon completion of this work the office accommodation will be available to receive staff from Fraser House and the Lower Ground Floor will be suitable for the front facing services currently delivered through Fraser House and Lancaster Library (WPEH 12-19+ delivery). The Lower Ground secure reception and waiting area will also provide the main reception area for the building. If a future decision is made to

continue with plans to re-locate the Registration Service then a dedicated reception facility for the service will be provided on the Ground floor.

a) Progress on site

The 3rd floor is nearing completion and will shortly be ready for the installation of furniture with the 2nd floor to follow soon after. This includes the wiring in of desks for ICT hook up. Fire doors are due to be fitted by mid-February. At this point the 2nd and 3rd floors will be ready for occupation.

Work on the Lower Ground floor is also planned for completion by mid-February.

b) Phase 1 Cost

Total outturn cost for Phase 1 is **£1.53m, excluding fire protection and fire doors which would result in a final total cost of £1.765m (see table in Finance implications below)**

2) Phase 2 of the Project

Currently the draft plans for Phase 2 (Ground Floor) include for the Registration Service, a ceremony room, waiting areas, additional disabled and baby changing facilities, secure storage and a reception staffed by the Registration Service. In addition there would be 5 interview rooms for use as Registration Offices and as meeting rooms available to other services in the building. On completion of Phase 2, Lancaster Register Office would move from its current accommodation.

There is also an area where minimal works were proposed, which would act as a touch down area, but was also identified as an area for essential storage for the SEND team which has specific and significant storage requirements. Draft plans for the 1st floor (Phase 2) show a layout of 'back office' facilities comparable to that on the 2nd and 3rd floors. The Property Strategy indicated that a review of accommodation for Children's Social Care within CAPSS centres was required. Further development of these plans offer a potential move of Children's Social Care (CSC) from Sefton Drive CAPSS centre providing the service with the opportunity for colocation with Fostering and Adoption, SEND, WPEH, Youth Offending Team etc. with which there are synergies.

Discussions with services will progress on confirmation of Phase 2 works to the building.

The reception area on the Ground Floor would be for the Registration Service only, and provide a principal entrance to the office accommodation for County Council staff based at Mill 14. Security systems will be required to prevent unauthorised movement through the building.

Phase 2 works would progress once Phase 1 is complete and allow for the decant of staff between floors i.e. to give the contractor vacant possession of the Ground Floor and 1st Floor.

a) Phase 2 Cost

Estimated cost for Phase 2 - **£1.255m**

b) Proposal to pause the Phase 2 Works

The proposal is to continue with and complete all of the Phase 1 works including additional fire safety precautions set out later in this report and to pause the Phase 2 works until the review is complete.

Currently the intention is that staff from Fraser House will not move into Mill 14 until all the building works (both Phase 1 and 2) are complete. This means that there will only be one move to teams' allocated location, maintaining business continuity etc. Approximately 276 staff currently located in Mill 14 and Fraser House will need to be accommodated.

The Phase 1 works will provide 179 workstations in place on the 2nd and 3rd floors of Mill 14. This will be sufficient to accommodate between 226 and 259 staff dependent on the ratio of workstations to staff applied across the two floors. This in addition to the existing capacity on the Ground Floor and 1st floor will provide sufficient workstations for all staff identified within Phase 1 of the project. The review of Phase 2 will include consideration of the longer term suitability and capacity of 1st floor office space in Mill 14 for the teams from Fraser House. Some teams have specific requirements which mean that they need more (or possibly less) workstations and a particular configuration of accommodation. A good example is the Domiciliary Care Service who are currently located at Fraser House. This team is subject to CQC inspection so have a specific and fairly rigid set of requirements.

Other teams such as SEND have a number of very agile staff but have a significant amount of primary and secondary storage which needs to be accessed on a regular basis. Service requirements include quiet working space in addition to regular office space due to the nature of the information being handled and so it may not be possible to simply apply a ratio of staff to workstations across an entire floor.

The 1st floor still has a number of rooms which need additional power and ICT and upgraded lighting if they are to be used in the long term for office accommodation. It is also likely that some of the rooms on the ground floor will be taken for the SEND storage and additional meeting spaces.

Phase 2 would potentially see approximately 96 additional staff accommodated in the building should all proposed services (e.g. Children's Social Care, Registration Service) be relocated to Mill 14 and any works required to facilitate this would be considered within the review.

Benefits of pausing Phase 2 works:

- No costs of abortive work.
- Avoids costs of overheads with no period of suspension of the Phase 1 works.
- There is potential to re-use furniture from Fraser House.
- There is potential to cancel Phase 2 to avoid expenditure or re-plan as required. The Ground and 1st floors are functional in their current form and

therefore would not require the same value of work required to convert into a Registration Service (see consideration re: fire protection below) However, a review would be necessary to ensure best use of the accommodation on the four floors available and find alternative accommodation for the Registration Service.

Consultations

N/A

Implications

This item has the following implications, as indicated:

Risk management

Opening-up of ceilings on other floors has raised doubts about the adequacy of the fire protection to steel floor beams on the Ground and 1st floors. This work was planned for Phase 2 but could be adopted within Phase 1. It is recommended that works to provide added fire protection take place. This would ensure that adequate evacuation time is available for the occupants of the building in the event of a fire affecting these floors.

An alternative location for the delivery of the Registration Service in Lancaster would be required.

Financial

The revised cost estimate of works at Phase 1 are:

	£m
Original phase 1	1.530
Fire protection	0.175
Fire doors	0.060
Total	1.765

It is proposed that the costs are funded by

2016/17 corporate revenue Repairs and Maintenance budget	0.165
Asset maintenance earmarked reserve	0.727
£20m Property Portfolio Rationalisation (Neighbourhood Centres Suitability Investment) budget in the corporate block of the capital programme.	0.873
Total	1.765

A review of the proposed Phase 2 works will ensure the building can be used to the most effective and appropriate use in future within a revised financial allocation.

Procurement

The contractors, F Parkinson, have been engaged through the Partnering Framework Agreement managed by the Building and Design Service and have been on site since 31st October 2016.

List of Background Papers

Paper	Date	Contact/Tel
Property Strategy (Neighbourhood Centres) Responses to the Consultation	8 September 2016	Dave Gorman 01772 534261

Reason for inclusion in Part II, if appropriate

N/A