

Brighton & Hove City Council

P&R Committee

Agenda Item 149

Subject: Hollingdean Depot Office Accommodation Proposals

Date of meeting: 16th March 2023

Report of: Executive Director Economy, Environment and Culture

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Ward(s) affected: Stanmer & Hollingdean

For general release

1. Purpose of the report and policy context

- 1.1 To provide approval for the onsite commencement of the Hollingdean Depot Accommodation Project.
- 1.2 This project seeks to remove the old operations building and associated structures at the Hollingdean Depot which are no longer fit for purpose or repairable, then to replace these with one modular office building to provide staff with good working conditions, rest and training facilities.
- 1.3 The report also seeks permission to transfer the budget previously allocated for resurfacing the depot over to the Hollingdean Depot Accommodation Project to enable the demolition and rebuilding to move ahead.

2. Recommendations

- 2.1 That the Committee agrees to the removal of the old operations building and associated structures and replace with a new two-story office block to accommodate the teams at the Hollingdean Depot, currently in portacabins.
- 2.2 That the Committee agrees to transfer the £1.000m capital budget previously allocated for the Hollingdean Depot Site Surface works to fund the additional costs for the works in recommendation 2.1 and for this sum be incorporated into the Council's Capital Investment Programme for 2023/24.
- 2.3 That the Committee grants delegated authority to the Executive Director Economy, Environment & Culture to take all steps necessary to progress with the Hollingdean Depot Accommodation Project.

3. Context and background information

- 3.1 The depot office is used to deliver the Cityclean service and is based in Upper Hollingdean Road. This ^{site} has been used for waste services since

the 19th Century and the current office building was constructed in the 1940s. It is made of prefabricated blocks and an asbestos roof. The building has been deteriorating over many years and in January 2020, following advice from the corporate Health and Safety Team, there was an emergency decant of the office building. This was due to measurement of asbestos particles in the office space and the level of asbestos was not such that presented a danger to staff at the time the building was vacated. Due to the construction of the roof and ceiling it was not possible to put in place adequate mitigation measures, so it was decided to decant from the building as a precautionary measure.

- 3.2 There are four portacabins on the Hollingdean Depot site as well as a fleet workshop, a canteen and changing facilities, a small brick-built office and a stores room. Some staff were relocated to other council offices away from the depot and some staff were moved to work in these portacabins and offices on a short-term basis. However, there is insufficient room for all staff to work in these spaces and there is insufficient meeting space. Further to this, two of the portacabins are rented and a saving can be achieved by returning them. Two portacabins that the council owns are very old and in a state of disrepair and need to be demolished.
- 3.3 In general, the old office building and the portacabins are not fit for purpose and not a suitable long-term space for staff to be working in. This can contribute to a feeling of neglect for staff working at Cityclean if investment is not forthcoming. There is inadequate meeting space for staff, for example to meet all refuse collections staff or all streets staff. It is important that the council provides adequate office and rest spaces for all staff.
- 3.4 The business case sets out plans to demolish the old office building, remove the portacabins and install a new two storey modular building which will be able to accommodate Cityclean staff and return Cityparks Projects and administrative staff to Hollingdean Depot. This will free up a business continuity space at Montague House to be used for other office moves and temporary office accommodation. Learning and Development space is needed to promote the development and inclusion of City Environmental Management front line staff. Removing the portacabins will free up space that is needed on site for council fleet and the safe movement of vehicles. Around ninety staff will be co-located in the new building across around sixty desks, considering workstyles principles.
- 3.5 The installation of the new building will require planning permission and it is proposed that an application is submitted in Spring / Summer 2023.

Project Development and Budget

- 3.6 In 2022/23 the Hollingdean Depot Accommodation Project Phase 1 commenced to undertake urgent and critical work to remove the communications infrastructure from the old office building before conditions of the building deteriorated further. In addition some temporary meeting spaces have been built in to the portacabins to make the space workable for the service while the longer term plans are implemented.

- 3.7 Detailed design and planning for the new building has progressed over the past 12 months. It has become clear that a budget of £2.000m was insufficient to deliver the office accommodation plus the learning and development accommodation required.
- 3.8 The new building will be more energy efficient incorporating a whole building approach to energy efficient measures. It has not yet been decided what sort of heating or cooling system will be implemented, but ground source heat pumps are being considered, subject to a cost appraisal. If the heat pump option is affordable, the anticipated reduction in carbon emissions would be significant.
- 3.9 Demolition of the existing building is currently proposed for late summer 2023. The build is estimated to take 14 months, with a possible move-in date for staff of Autumn 2024.

Wider Improvements at the Hollingdean Depot

- 3.10 Some essential safety improvement works have already been undertaken at Hollingdean Depot. Over two years from 2019 the following has been completed: the perimeter wall was made safe where required; the entrance to the depot was resurfaced and access barriers installed for pedestrians and vehicles; a new security hut was installed to control access to the site; new fuel tanks were installed.
- 3.11 In 2022/23 the electricity substation was upgraded and electric charging infrastructure installed linked to additional solar panels installed on the workshop.
- 3.12 There is also some work in progress funded from the Planned Maintenance Budget and Health and Safety Budgets. The canteen is a Grade 2 listed building and is currently being refurbished with new windows; a new boiler; new flooring and decoration. Additional CCTV is currently under procurement to protect the council's assets including a substantial fleet and plant at the Hollingdean Depot.

Funding

- 3.13 £2.000m capital was originally assigned to the project when the budget was set and then profiled over three years. At the same time £1.000m was allocated to resurfacing of the depot hardstanding which was to follow the provision of a new building.
- 3.14 In 2021/22 worked commenced on developing detailed plans and a detailed business case for the project. Once studies and reports were completed, the estimated cost rose to £2.990m. This is in part due to the significant inflationary costs impacting on the building industry but also because the figure of £2.000m for the project was reached as a high-level estimate and prior to detail planning.

- 3.15 It is proposed that the remaining £1.000m capital is to be transferred from the Depot resurfacing project. The resurfacing project will be required in the future but the office accommodation and a number of other high priority projects are required in the first instance. The resurfacing project will therefore be reviewed and business case presented to Policy & Resources Committee at a future date.
- 3.16 The removal of two hire portacabins will provide a revenue saving to the council of £0.015m per annum.

4. Analysis and consideration of alternative options

- 4.1 A modular building is seen as the best option for a variety of reasons as set out in the business case, Appendix 1. Given the financial constraints of the council, other options were explored which include a new build brick/block traditional construction and a hybrid build-over extension to the existing building. Although the first option is viable, it was not selected for reasons provided in paragraph 4.2. The second option was discounted as not viable.
- 4.2 A new build brick/block traditional construction would mean that there would be an extended design and procurement period. As the depot is highly operational and heavily used, it would cause a lot of disruption for staff and service delivery, resulting in an extended delivery timeline. This is not optimal for the service.
- 4.3 A hybrid build-over extension to the existing building is not possible because of significant problems with the existing structure.
- 4.4 The current office building has been closed since January 2020. At the time it was closed it was clear that it was not practically possible or financially viable to repair and reutilise the building. The building also did not offer adequate space or facilities for the service.

5. Community engagement and consultation

- 5.1 This report does not directly affect or impact the public, as it is office accommodation for officers working for City Environmental Management. It has been recognised that through the planning application, the council will seek approval in terms of the height of the building.
- 5.2 Staff at the Depot have been involved in the layout of the building and have had the opportunity to feedback with comments on the proposals. The final floorplans reflect staff input.
- 5.3 Trade Union colleagues are involved with this project, and regular meetings take place to update them of the key milestones.
- 5.4 Appointed contractors will work to our considerate contractor standards and will engage with the staff onsite and the community as appropriate.

5.5 This proposed was considered by Procurement Advisory Board on the 13th February and the Board supported the proposed route to market.

6. Conclusion

6.1 Some of the buildings at the Hollingdean Depot are in a poor state of repair. The old operations building has been out of use since 2020 and staff have been relocated to portacabins. However, this was a temporary solution and a new building is required.

6.2 Staff welfare and wellbeing would be improved with new office accommodation onsite which is fit for purpose. Progressing rapidly with the new building will provide positive visible signs of progress for all staff on the site.

6.3 The budget to undertake this work is identified from the council's capital programme and work can commence onsite for the new building in 2023.

6.4 The current global supply market continues to affect building material costs, and it should be noted that delays could lead to increased costs. Therefore, costs for the project have increased, contributing to the additional funding requested.

6.5 If Policy and Resources Committee approves the recommendations in this report, the project can commence onsite, starting with demolition of the old building. Some preparatory works has begun to avoid delays.

7. Financial implications

7.1 The 2022/23 Budget Report provided funding of £2.000m through corporate borrowing to support the Hollingdean Depot Office Accommodation programme. A further £1.000m was also allocated through borrowing for investment into the Hollingdean Site Surface works. The financing costs for this £3.000m investment has been incorporated into the council's revenue programme. This report is requesting that the £1.000m investment for the site surface works support the estimated £2.990m urgent redevelopment works for the office accommodation. The council will need to explore further funding options to support the site surface works which will not now commence in 2023/24.

Name of finance officer consulted: Rob Allen Date consulted 15/02/23:

8. Legal implications

8.1 The procurement of contracts associated with this project will need to be carried out in accordance with the Council's Contract Standing Orders.

Name of lawyer consulted: Alice Rowland Date consulted: 15/2/23

9. Equalities implications

- 9.1 A detailed equalities impact assessment will be completed as part of the delivery of the project.
- 9.2 When looking at the new building, standard accessibility metrics will be included, for example size of doorways, access routes and a lift. Also included is a multi-faith /contemplation room for use by all members of staff.
- 9.3 The equalities impact assessment will ensure the detailed design of the project continues to exceed compliance standards for new build projects.

10. Sustainability implications

- 10.1 Due to the asbestos roof construction of the existing building, specialist contractors will be required under the Asbestos Management regulations to dispose of under controlled conditions. The fabric of the building is old and in poor condition so unlikely to be recycled.
- 10.2 The contents of the old building will be re-used or re-cycled where possible. Furniture inside the old building will be re-used or re-cycled if it is safe to do so, and carbon savings will be recorded.
- 10.4 Existing furniture and equipment will be used within the new building, as well as re-used IT equipment.
- 10.5 The new building will be more efficient and energy consumption will reduce. The current portacabin arrangements are energy intensive because they are temporary structures.
- 10.6 Modular buildings are a highly sustainable construction process being manufactured in a clean factory environment, transported to site and erected speedily as delivery and installation are quick. The process is not totally weather dependent on site conditions, waste and cost are minimised, the modules can begin in the factory whilst site enabling works are carried out and they are easy to expand and re-locate.

11. Social Value and Procurement implications

- 11.1 The Business Case and an addendum went to the Procurement Advisory Board on the 13 February and was supported.
- 11.2 The new building will provide opportunities to deliver more training and support to the staff, which will directly contribute to service improvements.
- 11.3 The new building will mean less money spent on heating and cooling.
- 11.4 The new building will improve staff morale and service efficiency, and provide modern facilities required to run a vital council service.

Supporting Documentation

Appendices

1. Business Case
2. Floorplans

