

Decision Report - Executive Decision

Forward Plan Reference: FP/24/02/10

Decision Date – 08/04/24

Key Decision – Yes



Asset Rationalisation Programme: Yeovil and West Somerset Customer Facing Accommodation

Executive Members: All

Lead Officer: Sara Kelly, Programme Manager, Property Rationalisation, Strategic Asset Management

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1. Summary

Post covid working has seen a dramatic change in the way that offices are used and has resulted in significant under-utilisation of office buildings. Additionally, now that the 5 former Councils have merged to form one Somerset Council there is an over-supply of office accommodation.

A property rationalisation programme is underway, with an initial focus on office / customer service sites. This is a large and complex programme that is being broken down into manageable phases.

The Asset Management Strategy and Plan has 6 objectives to guide policy making and decisions as follows:

- The Council's estate is financially sustainable, efficient, and effective.
- Assets that are fit for purpose, safe & compliant.
- Assets that address the Climate Emergency.
- The Council's estate is used meet housing and care needs, with an emphasis on social housing.
- The Council's estate supports prosperity and economic growth.
- Address the growing challenges in the Council's school buildings estate.

The property rationalisation programme will support delivery of these objectives.

The programme, led by the Strategic Asset Management service, will focus on scoping opportunities to reduce the Council's property portfolio on a phased approach over the next 2-3 years and in doing so, reduce our running costs, carbon footprint and generate capital receipts.

Phase one projects identified include properties in Yeovil and West Somerset, with an aim of rationalising the number of properties in those areas and delivering integrated customer service provision. Detailed feasibility studies have been completed for the following proposals that we are now seeking decisions for:

- Moving the existing customer service provision from Petters House, Petters Way, Yeovil into Yeovil Library.
- Moving the services offered at Williton Library and Williton Children's Centre into West Somerset House. This proposal also includes an additional building, Beckett House that currently operates as an enterprise centre.

Full detail relating to each of these projects is contained in Section 11.

2. Recommendations

That the Executive agree to:

- 1. Relocate services from Petters House Yeovil to Yeovil Library**
- 2. Relocate services from Williton Childrens Centre, Williton Library and Beckett House to West Somerset House**
- 3. Delegate authority to Service Director, Strategic Asset Management in consultation with the Lead Member for Economy, Planning and Assets to appoint professional services as required, go to tender, evaluate, and award contracts up to £700k in line with approved capital bids, to make layout changes to Yeovil library and West Somerset House to facilitate the co-location of services.**
- 4. Agree the case for Appendix B to be regarded as exempt information and to be treated in confidence, as the case for the**

public interest in maintaining the exemption outweighs the public interest in disclosing that information.

5. Exclude the press and public, should Appendix B need to be discussed as this is regarded as exempt information.

3. Reasons for recommendations

Reduction in number of operational buildings which will generate capital receipts and revenue savings towards delivery of the savings identified in the Medium-Term Financial Plan (MTFP).

Optimisation of Yeovil Library and West Somerset House to provide integrated customer service delivery solutions.

Customers will be able to access council services from a single building within each location rather than currently needing to visit multiple sites.

Greater accessibility to access Council Services, including assisted digital access within library areas on Saturdays.

Appendix B contains exempt information. "Exempt information" is defined by Section 100 of the Local Government Act 1972 and by Schedule 12A to that Act. The information in Appendix A is exempt information because it is considered to fall within paragraph 3 of Schedule 12A: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)". The public interest test has been applied and, in this instance, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information

4. Other Options Considered

Within the West Somerset review, a further option was considered to retain Williton Library, Children's Centre and Beckett House and declare West Somerset House surplus. A variety of financial information including indicative capital receipts, current running costs and future maintenance liabilities, as well as likely commercial interest in each of the properties was considered and following this, it was deemed that this option was not the preferred option. From a facilities management perspective, it would entail running 3 buildings instead of one.

West Somerset House has the capacity to incorporate all the impacted services in to one building and still retain flexibility to meet any future operational business requirement in the area.

In the case of Williton Library and Williton Children's Centre, these sites are in close proximity on a wider area of land owned by Somerset Council. Should the

recommendations in this report be approved, the Estates team will consider options for disposal that could include disposing of the buildings individually or disposing of both sites and the land as a single plot for development.

5. Links to Council Plan and Medium-Term Financial Plan

In relation to the Somerset Council Plan 2023-2027 this project will deliver against the following Priorities:

- A Greener, More Sustainable Somerset by utilising existing Council assets that are accessible and have already had energy efficiency measures implemented.
- The Council's estate is financially sustainable, efficient, and effective, selecting Council assets to be retained that can be better utilised with moderate investment into layout changes which will meet the needs of incoming customer facing services.

The projects are included within the Council's MTFP savings for 2024/25 under reference NS-2324-TSIGP-282. This sets a target for revenue savings of £425,000 from property rationalisation over two years.

6. Financial and Risk Implications

The Strategic Asset Management service bid for capital funding in summer 2022 in anticipation of the start of a countywide asset rationalisation programme and has a budget of £500,000 for property rationalisation along with a further £200,000 for customer access improvements. It is anticipated that revenue costs associated with relocating services at both locations are likely to be minimal.

Subject to successful negotiation and conclusion of sale, capital receipts from asset disposals can be used to reduce debt, provide funding for transformational activities, fund any capitalisation directives or fund capital schemes.

Appendix B contains confidential financial information related to these recommendations.

Estimated feasibility costs for both projects fall within the capital budget available allowing for risks of inflation and client contingency. The Service Director – Strategic Asset Management can take these procurement and contract award decisions within their delegated powers in due course. Opportunities for value engineering costs will be a regular feature of the projects as the process progresses. Feasibility costs for Yeovil library and West Somerset House have been indexed for Q3 2024 to give the Council the most informed feasibility costings for budget purposes.

The main risk associated with this Key Decision relates to the working assumptions the feasibility reports are based on and how accurate these might be when tested in the competitive market for priced works costs. The project team have applied appropriate BCIS quarterly uplift costs for Q3 2024 to mitigate this risk, but unforeseen factors are beyond the scope of this report.

A risk in all property transactions is that any sale of surplus properties may not progress as quickly as the Council expects. If this were to happen, it would most likely be due to factors outside of the Council's control.

Much discussion has already taken place with managers of impacted services who will be relocating to a nearby operational site. There will be continual engagement with managers and staff to support the change so it is considered that people related risk should be minimal.

Likelihood	3	Impact	3	Risk Score	9
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7. Legal Implications

There is no legal implication associated with the recommendations of this Key Decision report.

In due course the implementation of the 2 projects at Yeovil library and West Somerset House will result in testing the construction market and awarding works contracts. The Commercial & Procurement Team and Legal Services will be consulted at this stage.

8. HR Implications

There are no TUPE implications associated with this Key Decision. All staff will continue to be employed by Somerset Council and any relocations are to other sites in very close proximity to current contractual bases. Parking arrangements will continue to follow legacy Council's existing arrangements until such time as a full review of parking arrangements across the authority is carried out.

Trade Unions have been informed of proposals and kept up to date as feasibility studies have progressed. A briefing was given to Joint Consultative Forum on 11th October 2023 detailing the feasibility study being undertaken. At this meeting, details of staff consultation undertaken to date were shared, along with further activities that were planned. A further update was given at Joint Consultative Forum on 13th March 2024 where the Key Decision recommendations were discussed. Equalities Impact Assessments that have been produced, reviewed, and updated during the feasibility study were shared with the group via email following this meeting. No concerns have been raised.

9. Other Implications

Equalities Implications

Equalities Impact Assessments for Yeovil and West Somerset projects have been drafted, reviewed and refined throughout the scoping and feasibility stages of both projects. Engagement has taken place with the Equalities in Employment Officer. The assessments are provided in Appendix D to this report and include a number of actions that will be put into place before, during and after implementation to ensure any potential impact on people with protected characteristics are mitigated.

Discussions have taken place with line managers and staff to ensure reasonable adjustments have been identified and will be reviewed throughout all stages of the project. Design of spaces has given full regard to staff and customers with protected characteristics.

Community Safety Implications

There are no identified negative impacts on local crime rates, reoffending rates, prevention of crime and disorder, fear of crime as a result of this decision. There is likely to be an improved impact on quality of life and wellbeing as a result of bringing more customer facing services into a single service location for the citizens of Yeovil and West Somerset, with the potential to reduce social isolation or exclusion for those who access public services delivered from these Council sites.

Climate Change and Sustainability Implications

Somerset Council has declared both a Climate and Ecological Emergency. Through that, the Council has committed to working towards making the whole county, including our own estate and operations, 'Carbon Neutral' by 2030. To that end, the retention of thermally efficient buildings that have had some or significant decarbonisation works implemented at the sites already is a key factor in addressing sustainability in our asset rationalisation strategy for keeping fit for purpose, future proof operational sites.

Yeovil Library has recently undergone a nationally recognised decarbonisation project in 2021. The building is now DEC B rated, whereas Petters House is rated C.

West Somerset House was constructed in 2008. It was built to modern standards, so the fabric of building is thermally efficient, and although it is not decarbonised it does have a reasonable energy performance rating DEC (C).

West Somerset properties have the following ratings.

West Somerset House – C

Beckett House – C

Williton Children’s Centre – D

No rating available for Williton Library

Health and Safety Implications

Rationalisation of assets as proposed at Yeovil and West Somerset as a result of this Decision does not have a greater risk of ill-health or injury than exists now to Council employees, volunteers, service users, visitors, members of the public. At the point where contractors are appointed to implement layout changes and works at Yeovil library and West Somerset House, the appropriate CDM and Health and Safety responsibilities will be assigned to the Principal Contractor on the Council’s behalf.

Health and Wellbeing Implications

There are no significant Health and Wellbeing implications relating to this Decision.

Social Value

There is no Social Value relating to this report/decision. When the procurement of contractors to be appointed to implement layout changes and works to Yeovil Library and West Somerset House is being planned, the project team will discuss appropriate Social Value measures to be taken into consideration when selecting and appointing approved contractors with the Commercial and Procurement team.

10. Scrutiny comments / recommendations:

The Corporate and Resources Scrutiny Committee considered this report and commented on the recommendations at its meeting on 7 March 2024. They supported the re-locations and the remodelling of Yeovil Library and West Somerset House.

11. Background

There are c140 properties across the operational estate in Somerset Council. The Council has identified a programme of asset rationalisation to take place over the next 2-3 years to look at opportunities to review, rationalise and reduce operational sites to contribute to the financial sustainability of the Council in the longer term.

The property rationalisation programme is large and complex and is being broken down into manageable phases. Phase one of the programme includes properties in Yeovil and West Somerset.

Yeovil

There are 2 customer facing operational sites in the centre of Yeovil: Yeovil Library and Petters House. In addition, Brympton Way which is a non-customer facing building sits just over a mile from the town centre and was historically the HQ for South Somerset District Council. It is still an operational office building, accessible to all staff.

The close proximity of these buildings provides an opportunity to co-locate customer service delivery into one building in the town centre and generate revenue savings as well as a capital receipt. Condition surveys have been conducted to assist with understanding the overall financial business case.

Yeovil library is in a prominent location in Yeovil Town Centre, within easy reach of public transport and has recently undergone a nationally recognised decarbonisation project at the site in 2021.

Petters House has been operating as a customer services hub for the ex-South Somerset District Council. Customer advisors and Housing officers work in this building and Citizens Advice are tenants under a 10-year lease which is due to expire in September 2024. The CAB have been consulted regarding the proposals.

A feasibility study has been completed to consider whether the services could be co-located into Yeovil Library, supported by The Design Concept. The Design Concept are a dynamic provider of total design solutions for libraries and public spaces and have a wealth of experience supporting co-location projects in libraries to achieve optimum solutions.

Service Managers were consulted at the outset of the feasibility study and asked to supply detailed requirements for their teams. These requirements helped inform the design brief. Managers have received updates throughout the duration of the projects and been given opportunity to review draft designs, raise concerns or suggest amendments prior to final designs being produced.

Staff located at Yeovil Library and Petters House have been engaged on feasibility report proposals and given the opportunity to share their input and ideas. Draft designs were shared at a face-to-face meeting with teams impacted by the proposals, where there was an opportunity for staff to ask questions and make suggestions. A mailbox was created on outlook for staff to provide feedback individually or collectively following the face-to-face session and these were reviewed by the project team and a detailed response provided.

Key themes that came out of staff feedback were the challenges that will be faced when co-locating services that are perceived to have differing customer types, the impact on library customers who may experience anti-social behaviour displayed by other customers, the importance of a suitable security provision, provision of adequate desk space for staff who will be required to work in the building and GDPR concerns. The project team are confident that the final designs address feedback received and provide a space that is workable for all services and their customers.

Further consultation took place with the customer panel and the draft designs were shared on Library social media pages. In addition, the survey was shared into social media groups which had the greatest reach within the geographic area most likely to be impacted by the decision and physical surveys were available at Yeovil Library. Links were also sent by email to the Yeovil Chamber, Yeovil Town Council and Brympton Parish Council for distribution through their channels while Yeovil Members, and Members in the villages/wards around Yeovil, were also supplied with survey information and encouraged to share.

Over 200 responses were received by customers. Key themes were the challenge faced when co-locating services with differing customer types, the concern over loss of library stock, the desire to maintain current services offered in the library and the ability to manage noise and retain quiet spaces. The design of the space addresses many of the points raised and due to the majority of additional service delivery being created on the ground floor in an area previously not populated by bookshelves, there will be no reduction to library book stocks. All services currently provided (including wellbeing area, employment hub, children's, and music groups etc will continue to run).

The co-location will enhance the customer offer in Yeovil Library and provide a single customer service site in the town centre, in a building that has benefited from a nationally recognised decarbonisation scheme and is fully accessible.

West Somerset

There are 9 operational sites in West Somerset, spread across Minehead and Williton. A number of these were considered out of scope for the West Somerset review as follows:

- Minehead Library - recently renovated and is fully utilised.
- Depot sites – these will be included in a separate review incorporating all depots in the County.
- The Alcombe Centre - fully utilised
- The Seahorse Centre - in the process of being sold to Avon and Somerset Police.

Therefore, the focus of the West Somerset review has been on 4 sites in Williton: West Somerset House, Williton Children's Centre; Williton library; and Beckett House, Bridge Street, Williton. The first three sites are all located on the same street, Killick Way.

West Somerset House (WSH) provided the administrative centre for the former West Somerset District Council until ownership transferred to Somerset West and Taunton Council and in 2023 to Somerset Council (SC) following the formation of the new unitary authority. Aside from the Police who part occupy (lease) some of the ground floor, the building is significantly under-utilised but is accessible having been constructed in 2008.

The benefit of West Somerset House is that it was built to modern standards, so the fabric of building is thermally efficient, and although it is not decarbonised it does have a reasonable energy performance rating DEC (C).

When funding becomes available, decarbonisation would be relatively simple, and only require changing the boiler to an Air Source Heat Pump and installation of some Photovoltaic. The other 2 buildings would need new windows, insulation, new lighting, and an Air Source Heat Pump.

The Children's Centre and Library & Registration services are currently delivered from 2 separate buildings located adjacent to WSH. These buildings are not decarbonised, and the library / registration site has an end-of-life heating system.

Beckett House is only a short distance away by foot or car and operates as an enterprise centre. There are 3 tenants in the building and several vacant rooms. The building currently operates at a loss. We have consulted with Economic Development who understand the reasons for the proposed approach, and we have discussed options for relocation of the service offered at Beckett House. There are lettable spaces at West Somerset House that could be explored if there is interest in doing so.

A feasibility study was commissioned to determine if / how WSH might be reconfigured to co-locate these services into a single site and still retain flexibility to meet any future operational business requirement in the area. AHR architects were appointed to assist with the feasibility study. AHR are architects and building consultants who deliver projects for clients in a variety of sectors using a multi service approach.

The project team have engaged and consulted with managers of library and children's centre services throughout the scoping and feasibility stages. Detailed requirements were sought from each service, and these informed the design brief. The brief insisted that there be no loss of service delivery space for the library and children's centre from existing space provision. Draft designs were shared with

managers of impacted services for review and feedback prior to being finalised. All services have confirmed that the plans meet their requirements and will not result in any reduction of service.

The library, registration office and children’s centre will be relocated on the ground floor of the site, which is currently largely open plan and will require some segregation to meet the service needs. In addition, there is a double height atrium space in a section of the ground floor which needs segregating and sound proofing, so noise is restricted from travelling between customer areas on the ground floor and first floor back-office areas.

Local Members have received updates at key stages during the project lifecycle and Town and Parish Councils also communicated with.

Feedback has consistently noted the requirement to maintain public meeting space at West Somerset House. This requirement can be met by the creation of flexible space on the first floor that can be used for a variety of purposes, from desk space, to meeting and collaboration space and the provision of space to support the Elections team requirements during the run up to an election.

As the ground floor space will provide dedicated space for each service on the same size footprint as the current provision and is on the same street as existing buildings, it is deemed that there is little impact on customers and therefore no formal customer consultation has taken place.

The asset rationalisation project timeline for completed and anticipated activities can be summarised as follows:

Activity	Status
Scoping of West Somerset assets	Complete
Briefing meeting re West Somerset asset rationalisation opportunity with local Members	Complete
Scoping of Yeovil assets	Complete
Briefing with Yeovil Local Members	Complete
Feasibility report commissioned – Yeovil	Complete
Yeovil staff engagement sessions and feedback	Complete
Yeovil customer panel survey and feedback	Complete
West Somerset local Members verbal update	Complete

Feasibility report commissioned – West Somerset	Complete
Feasibility report review and refinement – Yeovil	Complete
Feasibility report review and refinement – West Somerset	Complete
Asset Management Group approve principle to declare sites surplus	Pending
Key Decision	Pending
Procurement of design and layout changes / works to Yeovil Library and West Somerset House	Pending
Implementation of layout changes	Pending
Face to face services relocate from Petters House	Pending
Face to face services relocate from Williton library and Williton Family Centre	Pending

12. Background Papers

- Scoping questionnaires for Yeovil and West Somerset customer facing services available on request.
- Feasibility reports from The Design Concept for Yeovil and AHR Architects for West Somerset.
- Response to staff feedback available on request.

13. Appendices

A: Preferred layout option for Yeovil library and West Somerset House

B: Financial business case (confidential)

C: Parameters and working assumptions within feasibility commissioning requests for Yeovil Library and West Somerset House

D: Equalities Impact Assessments for Yeovil Library and West Somerset House

14. Report Sign-Off

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	07/03/24
Communications	Peter Elliott	28/02/24
Finance & Procurement	Nicola Hix	26/03/24
Workforce	Dawn Bettridge	26/03/24
Asset Management	Oliver Woodhams	28/02/24

Executive Director / Senior Manager	Jason Vaughan	24/02/24
Strategy & Performance	Alyn Jones	13/03/24
Executive Lead Members	All	
Consulted:		
Local Division Members	<p><u>Yeovil</u> South: Faye Purbrick / Andy Soughton</p> <p><u>West Somerset</u> Watchet & Stogursey: Hugh Davies; Rosemary Woods Minehead: Mandy Chilcott; Andy Hadley Dulverton: Frances Nicholson, Steven Pugsley Dunster: Marcus Kravis; Christine Lawrence</p>	Emails sent to all local members on 18/03/24
Opposition Spokesperson	<p>Cllr Mark Healey for Prosperity, Assets and Development Cllr Andy Dingwall, Communities, Housing and Culture</p>	18/03/24
Scrutiny Chair	Cllr Bob Filmer – Scrutiny Committee – Corporate & Resources	18/03/24

15. Consultation Responses

There are some key themes that have emerged following consultation with Local Members, and these can be summarised and responded to as follows.

Concern regarding loss of public meeting space

The ground floor of West Somerset House currently has a Council Chamber. It has been used for LCN meetings recently, but no committee meetings have been held in the building for some time and none are currently planned.

Local Members would like consideration to be given to holding committee meetings from the building in future and are strongly opposed to this opportunity being lost.

Having reviewed the floorplans following feedback, the first-floor space immediately above the current Chamber can be allocated as flexible space that could be configured as meeting room space when required. This is almost identical floor space to the current chamber and can be set up for a variety of meeting styles, to provide collaboration space or space for the elections team during an election period. New acoustic partitions and doors can be installed to partition this space from the rest of the floor.

It is not considered viable to retain the meeting space on the ground floor as the children's centre teams require ground floor space. Given that this service will be using the space every day, this is considered a priority requirement. It would not be sensible to have babies and children being brought to the first-floor multiple times per day, sharing staff facilities during working hours. Moving the meeting space to the first floor allows the space to be used flexibly with minimal impact on back-office staff. The area is serviced by a lift and is therefore fully accessible.

Concern regarding loss/reduction of service provision from current level of service

Members are concerned that the plans would result in loss of space for baby and toddler groups, breastfeeding groups, and storage space for their needs. They are further concerned that there is not sufficient space for the libraries service.

The plans that have been produced have been shared and approved by all services, who are content that the space allocated in West Somerset House results in no reduction to current space and will result in no loss of service provision to that currently offered.

All classes that currently run in the children's centre will continue to run in West Somerset House and a room has been identified for storage of equipment. An open plan space will be created that is the same size as the current space in the Children's Centre and private rooms will be created for confidential meetings, breastfeeding and changing space.

Organisations who currently use the Children's Centre will be able to continue to use the new space in West Somerset House. There will be no loss or reduction in service offered.

Concern regarding no space for business tenants to replace space at Beckett House

Tenants of Beckett House have been engaged on the proposals. There is a possibility to lease space at West Somerset House depending on requirements of each tenant. These discussions are in their infancy, and it would not be appropriate to comment further whilst discussions are ongoing.

Assurance can be offered that tenants will be supported by the Economic Development service to review options available to them.