

Agenda item: **Decision maker :** Culture, Leisure and Sport Decision**Date of meeting:** 10 October 2014**Subject:** New Depot for Parks Team (and contractors)**Report by:** Head of Transport and Environment**Wards affected:** St Jude and Baffins**Key decision:** Yes**Full Council decision:** No

1 Purpose of report

- 1.1 To inform the Cabinet Member of the need to identify suitable permanent premises to accommodate the Parks Service external works team and enable vacation of the temporary accommodation at Seafront Services, Avenue de Caen.
- 1.2 To highlight the long-term benefits that may be achieved by considering the needs of other city council staff and contractors as part of any new accommodation proposal.

2 Recommendations

- 2.1 **That the Cabinet Member for Culture, Leisure and Sport notes the content of the report and the need to secure alternative permanent premises to accommodate the operational activities of the Parks external works and inspection team.**
- 2.2 **Whilst the Head of Corporate Assets, Business and Standards continue to investigate the availability of suitable premises on a rental basis or as a prospective purchase, that the Head of Transport and Environment be authorised to continue with the options appraisal for development of the Burrfields Road site to accommodate new premises and to achieve the outlined benefits (see 6.4).**
- 2.3 **That in the event of the Head of Corporate Assets, Business and Standards not identifying suitable alternative premises within the city council property portfolio or from those commercially available, that a bid be considered to secure the required Capital funding to deliver the new development and the outlined benefits (see 6.9).**

3 Background

3.1 External Works Team Depot

- 3.1.1 The Parks Service external works team that undertakes play area and park inspections and maintenance were based at established premises at Norway Road, Hilsea until end-May 2014, having invested over £65k since occupation in 2001 to upgrade the unit to an operational facility.
- 3.1.2 A central location within the city enabled good access to the main arterial roads in and out of Portsmouth. A building area of approx. 400m² (4,300ft²) over two floors with a further 290m² (3,100ft²) of secure fenced external storage space adequately served as an office for the staff, accommodated a workshop facility and machinery and enabled the dry storage of a wide range of materials, equipment and spares.
- 3.1.3 Collectively the team of 5 FTE staff perform the following functions:
- regular inspection of council owned play facilities (held within Culture, Leisure and Sport and Housing portfolios, some of which are located in Havant)
 - regular inspection of parks and open spaces infrastructure items
 - planned maintenance programmes to parks infrastructure and play areas
 - reactive repair service following acts of vandalism or unforeseen damage
 - repair and refurbishment of items and equipment to prolong useful life
- 3.1.4 To assist the corporate objective of developing The Camber, attracting the Ben Ainslie Racing team base and headquarters and £7.5M worth of Government funding, the city council needed to identify suitable premises to relocate the fish market (Johnson's Enterprises) for preparatory site demolition works to commence. No vacant commercial premises were identified as suitable by the Corporate Assets Team and the Parks team were required to vacate Unit 4 Norway Road to enable the fish market to vacate the Camber.
- 3.1.5 Due to the extremely short timescale to vacate Norway Road (one month), the Parks team moved to temporary accommodation at Avenue de Caen in May 2014, making part-use of the Seafront Service building and purchase of storage containers on the disused tennis courts. There were no industrial premises of suitable size available to rent.
- 3.1.6 The current depot solution is a temporary arrangement. The site is identified within the seafront masterplan and there are aspirations to develop this part of the seafront.
- 3.1.7 Aside from future developments, the current set-up is not seen as an efficient long-term solution due to the location at the southern-most part of the city (increasing journey times and fuel costs) and operating out of containers with reduced workshop facilities.

3.2 City Council Transformation Programme

- 3.2.1 The city council's on-going transformation programme is looking at the use of property and assets owned by the council to reduce costs and bring in extra income. One aspect of the programme is 'working anywhere', which aims to reduce the amount of accommodation and office space used, vacating the Brunel Wing of the Civic Offices and leasing the space to external tenants.
- 3.2.2 'Working anywhere' introduces more flexible and mobile working which helps staff to improve their work life balance and improves our service to our customers, saving the organisation money and helping modernise the way staff work.

3.3 Strategic Contract Review

- 3.3.1 Work associated to strategic review of the current grounds maintenance contracts has been ongoing since November 2013. Negotiations between the city council and the grounds maintenance contractors have determined there would be significant contract savings if contractors were accommodated at PCC owned premises as opposed to rental of those at commercial rates. Where any new permanent accommodation is being considered, this would present an opportunity to realise these potential savings.
- 3.3.2 Should there be capacity for contractors at any new accommodation, this will allow existing premises under PCC ownership, used by contractors, to be re-evaluated for alternative use or income opportunities.

4.0 Objectives for New Accommodation

- 4.1 New permanent premises are required to accommodate the Parks play and inspection team. The current arrangement is temporary since vacation will be required to realise future development of the Avenue de Caen buildings and surrounding area and to achieve the objectives of the seafront masterplan.
- 4.2 An outline appraisal has been completed to establish the requirements of the Parks Service, the existing contractors and some of the further city council services that may share use of any future accommodation. The requirements are identified to be:
- premises of suitable size to accommodate the existing office and secure storage demands for both Parks staff and grounds maintenance contractors
 - in a central location for efficient work travel arrangements. The current location in the southern-most part of the city has led to increased staff journey times to attend sites throughout the city (and those outside the city maintained on behalf of Housing)
 - restore efficient service delivery through suitable operational facilities. The current arrangement compromises efficiency with containers being used to provide dry storage for materials, equipment and spares and a reduced range and quantity of spares and loss of dedicated workshop. This impacts

on the team's ability to maintain a highly responsive service that minimises loss of provision (particularly in instances of wear and vandalism)

- the potential to accommodate staff as part of mobile and flexible working practices and reduce demand on use of the Civic Offices
- a flexible space to meet changing demands as working practices evolve or as parks contractor arrangements change
- a long-term solution that will meet service needs for the next 30 years (equates to three 10-year contract terms) if the identified contract savings are to be of long-term benefit to the city council

5.0 Options Considered for New Accommodation

5.1 There is opportunity to rent premises (either city owned or privately let), purchase premises or build new premises.

5.2 The Corporate Assets Team manages the city council's property portfolio and will investigate the availability of suitable premises on a rental basis or as prospective purchase. It was apparent there were no suitable premises when vacating Unit 4, Norway Road and any new accommodation will need to meet all the identified requirements to realise all the identified benefits (see 6.4).

5.3 The site of the former farm buildings at Burrfields Road has previously been identified as a development opportunity with the existing buildings having been deemed unsafe to use and to be demolished (except one barn used by the kennel service). This land is held within the Culture, Leisure and Sport portfolio and officers believe this may present a suitable location to accommodate new Depot premises, subject to further feasibility work and securing of the necessary Capital funding. See Appendix 1.

6.0 Reasons for Recommendations

6.1 A number of site ground investigations have been carried out at Burrfields Road, with the latest records relating to the installation of the city dog kennels facility. The site is known to contain contaminants and soil conditions of variable load-bearing capacity and further site investigation works have been commissioned to determine ground conditions specific to the area forming part of any future development. This will enable an assessment to be made of the decontamination measures required and likely foundation design (cost impacts) for any proposed structure.

6.2 Based on the initial appraisal of Parks Service and contractor requirements, there are a range of options that will need further investigation to determine the most economically advantageous option. The options are likely to consider full use of the available space 1,800m² (subject to demolition of the existing buildings, ground conditions and planning considerations), amendment to the layout of the dog kennels and use of the open space east of the site currently used as a materials store.

- 6.3 A single-storey building linked to one of the barns forms part of a lease not expiring until 2021, with no landlord's break clause. To enable full utilisation of the site, a compromise agreement will need to be reached with the tenant to alleviate an expensive workaround solution and may involve offering part-use of any new facility.
- 6.4 The benefits of developing a new Depot at Burrfields Road are identified as follows:
- permanent accommodation that meets all demands of the Parks external works and inspection team (secure dry storage of materials, spares, equipment and vehicles, workshop facilities, office and welfare facilities)
 - flexible working accommodation for all Parks staff to be co-located, leading to additional operational synergies and efficiencies and to reduce accommodation pressures in the Civic Offices
 - opportunity for a closer working relationship with contractor(s) and the efficiencies this may present. Contractor depot rental costs are currently contained within existing contract values, whereas accommodation within PCC owned premises would enable significant savings to be made as well as sharing premises overheads, use of space such as workshops, working relationships and practices.
 - enhancement of facilities for dog kennel staff already based at site (whilst the kennel staff do have limited facilities within the kennel building, they currently also make use of one of the existing barns and any new structure can accommodate and improve these facilities)
 - flexible accommodation to allow for future changes to contractor requirements and wider city council staff working arrangements, growth of service and other potential business opportunities (office space, workshop provision and storage)
 - long-term financial benefits giving ongoing contract savings beyond payback of the initial capital investment
 - potential for income from / regeneration of premises no longer required by contractors (premises such as the contractor depot on the corner of Eastern Road and Burrfields Road can be re-marketed with other adjacent land as these leases expire to realise full rental potential)
 - central location within Portsmouth with excellent access to the main arterial roads, enabling efficient service delivery and reduced vehicle emissions (efficient highway links to undertake the management, inspection and maintenance of all parks and play areas in Portsmouth and Havant and for the receipt of deliveries). See Appendix 2.
 - scope for commercial / industrial premises with a rental income should any of the identified development area be available as contract arrangements evolve
 - an immediate improvement to what is essentially a derelict and condemned site (officers may consider demolition of the farm buildings in advance or separate to the option to build a new Depot given their current derelict state

and opportunity for short-term lease arrangements and income generation, subject to a Prior Approval notification)

- 6.5 Upon completion of the initial feasibility work, the preferred option will be presented as a spend-to-save project, using future contract savings and income from leased assets and will require a successful Capital Bid to deliver the identified benefits.
- 6.6 The outlined project benefits are aligned to the objectives of the 'working anywhere' programme, in particular being more creative about managing council owned assets and flexible and mobile working.
- 6.7 Initial views of Planning Officers have been sought and will continue to be engaged as options are appraised. The site is considered capable of accommodating a single or two storey building, subject to careful consideration of elevations, cladding materials and roof design.
- 6.8 Should ground conditions not preclude cost-effective development in this area, there is scope to utilise the council owned land to the west of the farm buildings for further industrial / commercial development. This would have impact on the current leasehold arrangements (with Southsea Golf Club, Baffins Milton football club and lorry park) and would rely on expiry or surrender of these leases and/or provision of suitable alternative property to enable this further option to proceed. Whilst this could present further significant income potential, there would be greater Planning issues to address, in addition to consultation with the existing tenants and is not currently being considered further, given the indicative timescales for finding permanent accommodation for the Parks team and contractors.
- 6.9 Whilst options develop and funding is sought for constructing new accommodation at Burrfields Road, the Corporate Assets Team will continue to investigate the availability of suitable premises on a rental basis or as a prospective purchase. Any premises will be appraised as they become available and may become the preferred option where all requirements can be fulfilled and considered to offer the most cost effective accommodation solution (which may include alternative use of the Burrfields Road site).
- 6.10 Should suitable new, rented or purchased premises not be secured within the timescale required for the Parks Service external works team to vacate the seafront site, then a further temporary solution will need to be identified and secured. This will likely impact on efficient service delivery (with staff resource dedicated to relocating and setting up any new facility), incur additional costs (either relocating containers or making amendments to new premises ie. IT upgrades) and will not realise the full benefits identified in 6.4.

7 Equality impact assessment (EIA)

7.1 An equality impact assessment is not required as the recommendations do not have a negative impact on any of the protected characteristics as described in the Equality Act 2010.

8 Head of Legal comments

8.1 The Council has the authority under the Local Government Acts to acquire land for carrying out its functions. It may also use land it owns, other than for HRA purposes, for such functions.

9 Head of Finance comments

9.1 Transport and Environment finance officers have been working closely with the Parks officers on this project.

9.2 A detailed financial appraisal of the proposal will need to be prepared which will consider the short and long term cost / benefit implications.

9.3 As mentioned in 6.10 above, the financial impact will need to be assessed should the need arise to move again into a short term temporary accommodation.

9.4 Costs incurred to date for site investigations totalling £13,656 and officers' time will be funded from existing service budgets.

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Signed by:
Simon Moon
Head of Transport and Environment Service

Appendices:

Appendix 1: Plan showing outline proposal for Burrfields Road site

Appendix 2: Plan showing location of Burrfields Road with distances to parks and play areas maintained by the Parks Service

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved / approved as amended / deferred / rejected by Cabinet Member for Culture, Leisure & Sport on the 10th October 2014