



Civic Offices Relocation

September 2022

The Civic Offices

Background

- The Civic Offices were constructed circa 1972
- The building has a reinforced concrete frame construction
- The existing building is circa 40k sqft per level, six storeys including upper level setback and ground floor columns, totaling approximately 200,000sqft- 250,000sqft and accommodating circa 2000 staff.
- Its easily accessible with links to Guildhall
- Largest office accommodation of any employer in the City Centre
- The Civic Office site sits at a position that is expected to be a transition between the area of likely delivery of new office accommodation and a traditional City Centre.
- Could take advantage of the proximity of the station, and the area of the Guildhall Square and southwards which is expected to remain and be enhanced as a Cultural Quarter for the city.

Why?

- The Civic Offices have been under review following a **condition survey** undertaken in July 2021 by Faithful & Gould, which highlighted the site currently has issues with solar gain, poor ventilation and lack of thermal control and provided detail on the maintenance costs of the civic.
- Pre-pandemic an **accommodation review** undertaken in January/February 2020 by Baker Stuart, highlighted that the civic space was underutilized and poor environmental conditions present within the office.
- The pandemic required the organisation to change quickly to a different way of working. The connectivity programme has focused on embedding hybrid working in the Civic Offices.
- **Points to consider are:**
 - Access to services
 - Encouraging collaboration
 - Developing staff and teams
 - Accommodating our partners; NHS, CCG, Police, Probation Service
 - Intelligent technology
- Do we need the current civic capacity?
- Modernising Portsmouth City Council's workplace could be a civic architectural statement, create a contemporary office space that is representative of a modern, future looking Council as well as promoting the values that the City.

The brief of this workplace is to be developed but should reflect modern flexible working and respond to post-covid expectations on workflow and staff interaction and integrate a richer mixture of facilities and services, potentially community amenity or other support space.

Planning Policy

National planning policy in the NPPF advises that Councils should work to

*‘promote the long-term **vitality and viability**’ of centers by ‘allowing them to **grow and diversify** in a way that can respond to rapid changes in the retail and leisure industries, allows a **suitable mix of uses**’*

In respect of community facilities Council’s are required to:

*‘**plan positively** for the provision and use of ... **community facilities**’ and must ‘guard against the **unnecessary loss** of valued facilities and services, particularly where this would reduce the community’s ability to **meet its day-to-day needs**’.*

A painting of a city under construction. In the foreground, there are several large buildings under construction, heavily covered in scaffolding. A tall crane is visible on the left. In the background, a prominent clock tower with a dome stands out against a hazy sky. The ground is cluttered with construction materials and debris. The overall style is that of a historical painting, possibly from the 19th century. The text "Criteria for any option" is overlaid in the center in a white, sans-serif font.

Criteria for any option

Setting Parameters

- What do we HAVE to have e.g. space!
- Policy Compliant (environment, local plan, transport etc.)
- Cost Neutral or better for the City- value for money?
- What is the purpose of a new civic building?
- The current civic offices contains:
 - Customer accessible services, for example
 - Civic cashiers
 - Housing needs, advice and support
 - CCTV & TMC
 - Executive & Political Group Rooms
 - Support services functions
 - Do they all have to be relocated together?

Steering Group Principles

Accessibility

- Be accessible and welcoming to all
- In walking distance of the Guildhall
- Customer facing services should be located where they are most needed

Public Health

- Improve services & space for residents
- Creating a healthy and safe workplace

Environmental

- Reduce carbon emissions
- Able to deliver climate targets for building management and maintenance
- Encourage active travel and facilitate green transport

Local Economy

- Create footfall in the City centre supporting local economy (driving spend in the city)
- To encourage office use into the city centre?

Other

Guildhall functions will remain in the square?

Principles Ranked

- 1. Do members want to generate prior to FC?
- 2. X
- 3. X
- 4. X
- 5. X
- 6. X
- 7. X
- 8. x

A painting depicting a city in a state of reconstruction. In the foreground, there is a dirt area with scattered debris, including wooden planks and rubble. A few small figures of people are visible, one near a pile of wood on the left and another further right. The middle ground is dominated by several large, multi-story buildings under construction. These buildings are heavily encased in complex scaffolding made of wooden poles and ropes. The architecture of the buildings suggests a historical or colonial setting. In the background, a prominent clock tower with a domed top and arched windows stands out against a hazy, blue sky. The overall color palette is muted, with earthy tones for the ground and buildings, and a soft blue for the sky. The text "Options appraisal" is superimposed in the center of the image.

Options appraisal

Option 1

Maintain Existing

30 Year Maintenance Plan

- Forecast expenditure on future maintenance: £116M
- Professional Fees 12%: £14M

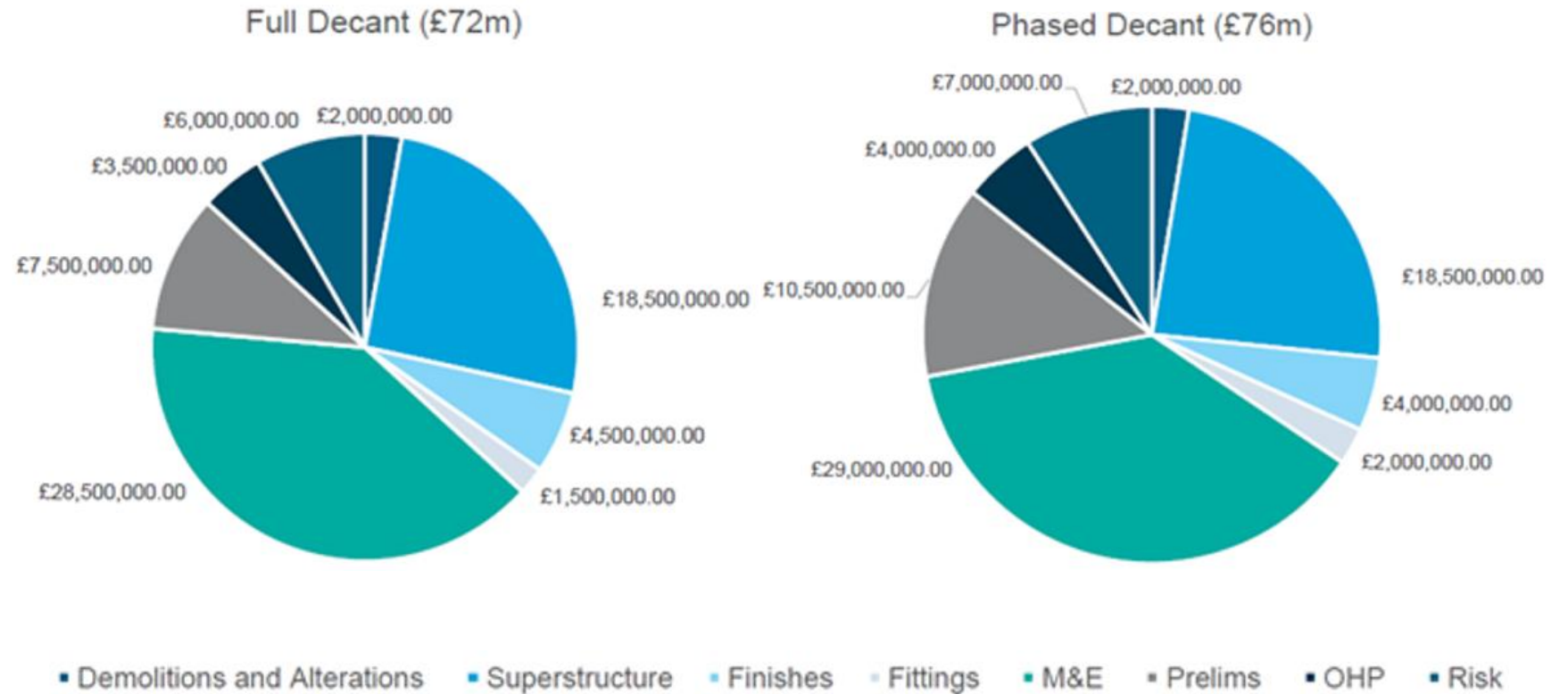
TOTAL £130M

- Major work elements would require replacement of floors and wings for sustained periods
- Significant costs associated with;
 External façade & roof
 M&E maintenance and improvement

****Please note – these figures are dated November 2021, these may have now slightly increased due to cost inflation.***

Option 2

Full Refurbishment



**Please note – these figures are from the condition survey dated November 2021 carried out by HNBS Directorate. These will have now slightly increased due to cost inflation.*

Option 3

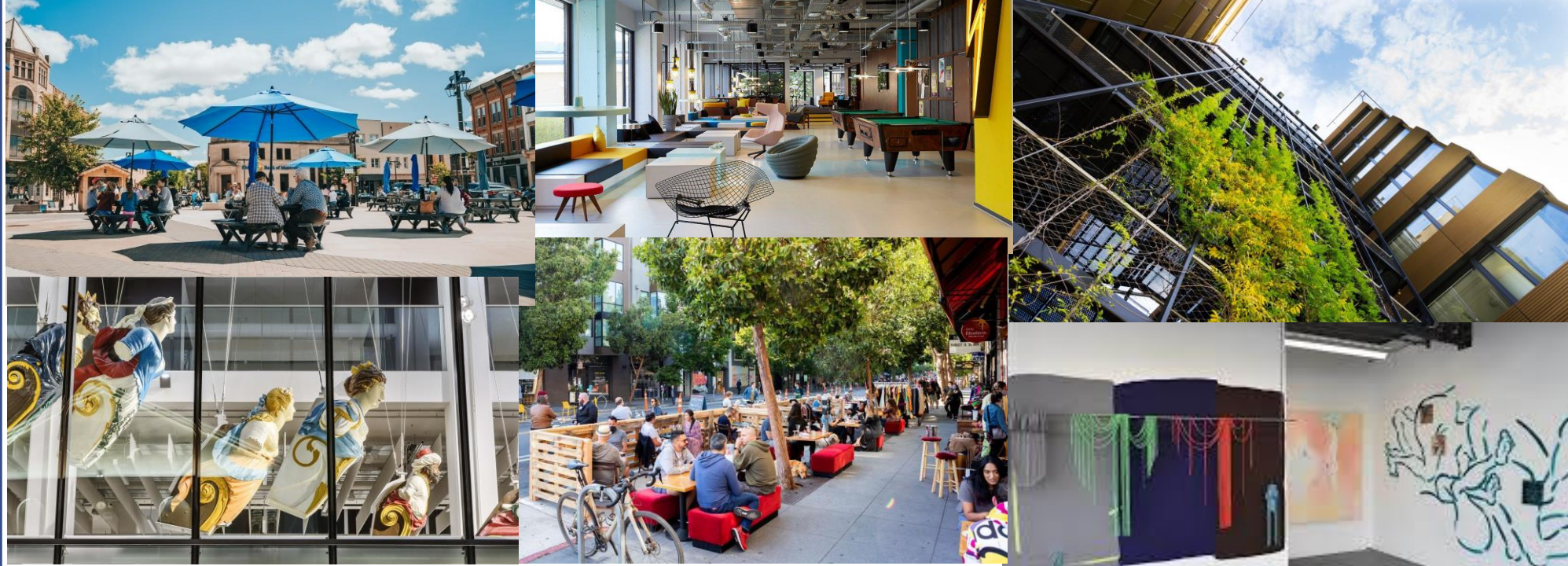
Relocation

The Relocation Opportunity

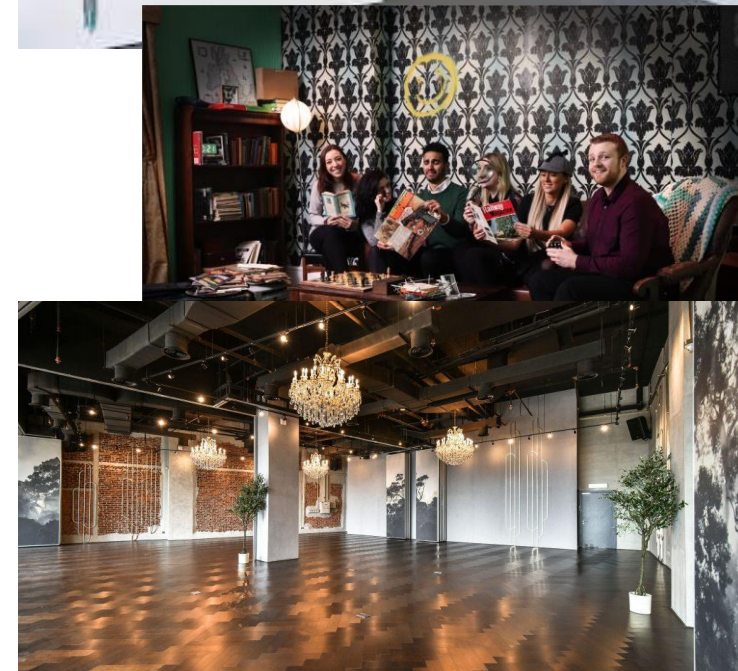
In considering this option, members should note that:

- All Options have the ability to support the local Economy however relocation can act as a **catalyst to regenerate** the City Centre
- To consider this option properly Members need to be clear on how the building will be used in future, to enable council to **size its accommodation appropriately**, to serve the community and staff most effectively.
- This is the best option to provide a **modern HQ** leading on quality, environmental standards and sustainability
- Has the best chance to create a **diverse set of facilities, services and attractions**
- An office development anchored by the City Council within a larger development, will **help viability** for the wider opportunity if handled correctly.

The potential for the existing site



- Hotel
- Conan Doyle/Sherlock homes experience
- Food and beverage opportunity to overlook Guildhall Square
- Greening/Green walls
- Event space
- Escape rooms
- Portsmouth Museum
- Art Exhibition Space/Pop up art gallery
- Residential





Delivery

Delivery options

Self build	Payback PWLB borrowing only	End up in PCC Ownership
Self build	3 rd party sale and leaseback	Asset returning to PCC on completion of the term
JV Delivery	Payback Partner borrowing and profit on cost percentage	PCC purchase or rent back on completion
Developer led delivery	Developer purchases	Council purchase back on completion
Developer led delivery for PCC	Council leaseback position agreed for a fixed term, would need the asset back to PCC at the end of the term.	Asset returned to PCC on completion of the term

Please note – these delivery options are dependent on the site proposed including the civic offices

High level costs

Option	Cost
Option A - Maintain	£130m
Option B - Regenerate existing	£72-£78m for decant
Option C - Relocate	£36m + land (based on 12,000 m2)

Best practice

- What good looks like elsewhere?
- We don't need to re-invent the wheel