



PART A: MATTERS DEALT WITH UNDER DELEGATED POWERS

REPORT TO: POLICY & RESOURCES COMMITTEE

DATE: 6 FEBRUARY 2020

REPORT OF THE: DEPUTY CHIEF EXECUTIVE

TONY GALLOWAY

TITLE OF REPORT: PUBLIC SERVICES HUB

WARDS AFFECTED: ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 To update Members on progress of the Public Service Hub project and seek their approval to the next stages.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- (i) Members note the progress of the Public Services Hub project to date.
- (ii) Members:
 - a) Accept the £70,000 funding from the Cabinet Office, One Public Estate (OPE) Programme offered in support of Stage 2 of the project.
 - b) Give their approval for officers to proceed with Stage 2 (scoping, brief, building design and business case development) of the attached project plan
- (iii) A further progress report is brought back to this Committee when stage 2 has been completed.

3.0 REASON FOR RECOMMENDATIONS

3.1 At its meeting of 4th July 2019 members of this committee resolved that:
Members require information regarding;

- The partners wishing to join the PSH, the space they require and their financial contribution (be that capital or annual rent)
- Demand for private sector office space and whether this could be accommodated on the site under the existing covenants
- Future uses of the site under both scenarios, including the scope and terms of any other development on the site and the capital this would release
- The intentions of our neighbours and the opportunities this may present
- The relationship to other council-owned assets and how these may be consolidated
- A full comparison of both the financial and environmental costs of each option over time
- A Member Briefing for all Members to be held to explain and clarify the information gathered. Members also require the opportunity to tour Ryedale House to assess its condition and current use.

3.2 To confirm the councils continued support for the Public Services Hub project moving forward.

3.3 To seek agreement and approval for the next stages of the development and delivery of the PSH project.

4.0 SIGNIFICANT RISKS

4.1 There are a number of risks associated with the development of a new Public Service Hub for Ryedale:

- i. The reputation of the Council if there is a failure to consider all the potential options available to ensure every pound of public money is well spent for the benefit of all.
- ii. Continuing to spend approved OPE funding when the full financial implications of the public service hub project are unclear and uncertain.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 This report relates to all the Council's priorities; managing the environment of Ryedale with partners and supporting improvements to enhance and deliver sustainable growth; making the best use of resources to ensure maximum benefit for all customers and communities and building capacity in partnership.

REPORT

6.0 REPORT DETAILS

Background

6.1 In 2018 the council commissioned the architects Align Property Partners to conduct a designs and a feasibility study to RIBA stage 1 to deliver a new Public Services Hub (PSH) for Ryedale on the Community House site adjacent to Wentworth Street Car Park in Malton.

6.2 A new building was designed to enable co-location, providing 1600 sq. metres of office space for RDC, NYCC, Department for Works and Pensions (DWP) and North Yorkshire Police (NYP).

- 6.3 The capital costs of the new-build estimated in the region of £5m were higher than had been anticipated and the size of the building was deemed to be too small to accommodate all RDC and partner staff and RDC elected members.
- 6.4 Subsequently Members agreed for the proposed site for the PSH to be moved from Wentworth Street to Ryedale House and to explore the option of refurbishing the existing offices on site as well as the option of building a new facility
- 6.5 With the understanding that any redesign of the PSH must be able to accommodate all the current/future Ryedale house staff, elected members and partner agencies as well as customer access needs
- 6.6 The design focus for the PSH must not just be on the size and the fabric of the building. Equal focus must be on how the building and the spaces within it will be used. How it will be equipped, its functionality, its configuration, its ergonomic design and environmental features.
- 6.7 If the council is to achieve its vision of becoming a “Modern Council”. The PSH must look to maximise the flexibility of its usable spaces, work areas, equipment and digital platforms to meet the on and offsite needs of a more agile 21st century workforce.
- 6.8 These requirements must to be reflected in any new design brief to ensure that the resulting PSH is both fit for purpose and fully meets the need and aspirations of the organisation and the communities and customers it serves.

PSH Partners

- 6.9 Stage one was to consult with the principal partners of the PSH, namely the Department of Works and Pension (DWP), North Yorkshire Police and North Yorkshire County Council. To determine whether they were still committed to being a part of the proposed PSH, their resource requirements and how they intend to contribute (capital and/or revenue) to the project moving forward.
- 6.10 This consultation stage took place between October 2019 and January 2020. The outcome of that consultation process is outlined below.

The Department for Work and Pension (DWP)

- 6.11 The Department of Work and Pensions (DWP) currently occupy office space in Malton and their current lease expires on 31 March 2020.
- 6.12 The DWP made a formal approach to the council seeking to secure the opportunity to co-locate to Ryedale House as a transitional arrangement pending the decision on a new PSH.
- 6.13 At the meeting of 23 October 2019, members of this committee considered a paper seeking a transitional lease of office space to the DWP to allow them to co-locate to the Ryedale House when the lease for their current accommodation expires on 31 March 2020.
- 6.14 The committee approved the request and recommended that:
- (i) RDC to offer them a 10yr lease for the space, with a break at 5 – or to align with the PSH, and

- (ii) That any future PSH rent costs (assuming this is delivered before the 10yr term and no more space is taken) are set at or around the rental offer for the transitional space. DWP reaffirm their funding position which is a guaranteed 10yr lease rental income for nil implementation works costs (other than fixtures, furniture and equipment) regardless of whether there is a new or a remodelled PSH.
- 6.15 Following approval of the Committee. Officers from RDC have since worked with DWP colleagues to produce a Heads of Terms and Lease Contract.
- 6.16 The Heads of Term and the Lease Contract have now been agreed and signed by both parties.
- 6.17 Work to refit the reception area and the ground floor area to be occupied by the DWP started on Monday 20 January 2020 and is scheduled for completion by Friday 21 February 2020.
- 6.18 Wednesday 26 February 2020 will see the start of the transition of DWP staff (10 people) from their current offices in Malton Town Centre to Ryedale House in readiness for the full delivery of their services from Ryedale House on Monday 2 March 2020.

North Yorkshire Police

- 6.19 RDC Officer have had several very positive and productive meeting with senior officer of North Yorkshire Police (NYP) who confirmed the organisations continued committed to the Public Services Hub project and to co locating to Ryedale House.
- 6.20 NYP have made a formal request to collocate their Safer Ryedale local delivery Team to sit and work alongside RDC's Communities Team on the first floor of Ryedale House.
- 6.21 Details of the NYP proposal including space requirements, rental costs, utility costs and any reconfiguration works are being currently being worked up and are the subject of a separate report to this committee seeking approval to progress to contract of lease.
- 6.22 NYP anticipate that, subject to RDC approval and final approval from their Management Board, their Safer Ryedale local delivery could be insitu on site at Ryedale House by 31 Mach 2020.

North Yorkshire County Council

- 6.23 Officers have met with colleagues from North Yorkshire County Council (NYCC) for further discussions on their commitment to the PSH project and to co-location. NYCC remain committed to the PSH project and to co-locating to the new building and have confirmed that the county council would make a capital and/or revenue contribution to the project subject to future business case development and financial appraisal.
- 6.24 However Officers have been advised that the county council is still undergoing its review of its asset base and staff deployment arrangements as part of its "modernisation agenda". The review is likely to be concluded shortly after which more details discussions can take place a reported back to this committee

Other potential PSH Partners

- 6.25 The CAB have also formally expressed an interest in collocate to Ryedale House as part of the PSH project. Officers of RDC met with senior colleagues from the CAB on Wednesday 23 January 2020 for exploratory discussions and a site visit with the Chief Executive and Deputy Chief Executive of the CAB is planned to take place on Thursday 30 January 2020.

One Public Estate (OPE) Funding

- 6.26 In November 2019 Officer from RDC meet with Regional colleagues from the Cabinet Office, One Public Estate Team to update them on the proposed changes to and current status of the Ryedale PSH project and to discuss what funding, if any might be available to support the project moving forward.
- 6.27 Officers advised the OPE team that the proposed site for the Ryedale PSH had changed from Wentworth Street to the site of the current Ryedale House. The team was also told that the council would be exploring the option of refurbishing and/or modernising the existing building as well as the option of a new build facility on the current site. The final decision being subject to business case, cost and design.
- 6.28 The OPE Officers were satisfied that the project still met their funding eligibility criteria and gave "In principle" approval for the proposed changes subject to RDC officers submitting a formal "Change request".
- 6.29 The Change request was submitted, considered and approved by the OPE Board in December 2019 and a sum of £70,000 funding has been allocated to RDC in support of phase 2, the scoping, brief, building design and business case development of the revised project.
- 6.30 A key activity of the phase 2 will be in depth consultation with partners and RDC staff and Elected Members on not only the design of the building but how the building and the spaces within it will be used. How it will be equipped, its functionality, its configuration, its ergonomic design and environmental features.
- 6.31 These requirements must to be reflected in any new design brief to ensure that the resulting PSH is both fit for purpose and fully meets the need and aspirations of the organisation and the communities and customers it serves.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:

a) Financial

None at this stage

b) Legal

None at this stage.

c) Staffing

Officers will ensure that the project is properly resourced to provide the appropriate level of management, monitoring and oversight.

d) Climate Change

There are no direct Climate Change implications associated with this report at this point. Climate Change issues will be considered in the design and construction of the PSH and reported in detail as the project progresses.

8.0 NEXT STEPS

- 8.1 Subject to member approval, officers intend to utilise monies from the £70,000 funds allocated to the project by the Cabinet Office OPE Team to commission works on Phase 2 (Scope, Brief, Design and Business Case Development) of the project to be carried out.

Name of Head of Service

Job Title Deputy Chief Executive

Author: Tony Galloway

Telephone No: 01653 600666 ext: 43347

E-Mail Address: Tony.galloway@ryedale.gov.uk

Background Papers:

None

Background Papers are available for inspection at:

N/A

Public Services Hub – High level project plane with indicative timeline and key milestones

Activity	Activity period
Stakeholder/Partner consultation (Phase 1)	October 2019 – January 2020
Scope & Brief, Design Brief and Business Case (RIBA stage 1) Development (Phase 2)	January 2020 - April 2020
Feasibility work leading to submission of Outline Planning Application (Phase 3)	May 2020 – November 2020
Planning Application process (RIBA stages 2 & 3) (Phase 4)	November 2020 – February 2021
Detailed design (RIBA Stage 4) and OJEU/Framework Procurement process (Phase 5)	March 2021 – November 2021
Construction/Refurbishment works (Phase 6)	December 2021 – June 2023