

	<p>Executive 11th December 2006</p> <p>Report from the Chief Executive</p>
For Action	Wards Affected: ALL
<p>A Business Case for a New Civic Centre for Brent</p>	

Forward Plan Ref: CE-06/07-1

***Appendices 1 , 2 and 5 of this report are not for publication**

1.0 Summary

1.1 This report makes a clear case for proceeding to procure a new Civic Centre for Brent. It sets out the case for both service delivery and efficiency and accountability, putting local democracy at the heart of progress in the Borough. It sets out to prove that a new Civic Centre is a critical component of the regeneration of the Wembley area and a major boost to the retail offer, and makes a clear case that given the declining state of the council's property portfolio, a radical solution will have to be pursued.

2.0 Recommendations

- 2.1 That Members agree to proceed with the new Civic Centre project to the next stage by requesting officers to continue work to finalise a detailed user brief for the new building(s) and to report back to Members for approval in due course.
- 2.2 That members note that at the same time officers will carry out further analysis of the staff numbers required to be accommodated and will review the Council's existing property portfolio and accommodation strategy, details of both reviews to be included in the report back to members at the next stage.
- 2.3 That Members select the York House and Brent House sites as the two preferred sites for a new Civic Centre, both of which have real potential to meet the Council's vision and objectives, for the reasons set out in the RFP evaluation report attached at Appendix 1 and summarised in this report.
- 2.4 That Members note that following the report back to members as set out in recommendation 2.1 officers will commence a detailed tender process for the design and procurement of the Civic Centre with the two short listed site owners.

- 2.5 That, in relation to the procurement of external advisers, members approve the pre-tender process considerations and criteria to be used to evaluate tenders for Surveying, Architectural and Financial Services as set out in Section 11 of this report.
- 2.6 That Members give approval to officers to invite tenders for the procurement of Surveying, Architectural and Financial Services for the next stage of the procurement process and to then evaluate them in accordance with the approved evaluation criteria referred to above.
- 2.7 That Members agree that for the reasons set out in this report there are good financial and operational reasons for not tendering the contract for legal services by way of public advertisement in accordance with the requirements of Standing Orders.

3.0 Introduction

3.1 The problem

The Audit Commission's inspection found that Brent's buildings "have suffered from a lack of investment over many years leaving a significant proportion in a poor condition". (Best Value Review of Property Services, Asset Management and Facilities Management 2003) A considerable investment is needed to bring existing buildings up to an acceptable standard.

In January 2004, Jonathan Edwards Consulting said

"Brent Council's existing municipal portfolio is ageing and of variable quality. The inadequate accommodation that it provides will not be sustainable in the long term and will restrict the Council's ability to provide public services. As the portfolio will deteriorate further and services will fall increasingly behind acceptable standards, the Council does not have the option of doing nothing. Poor standards of accommodation are reflected by low overall costs, but these will have to rise in order to address backlog repairs, achieve acceptable standards and replace ageing accommodation."

In summary:

- Our buildings are inflexible, unwelcoming and inappropriate.
- The infrastructure is old.
- They have a poor public face.
- They are high maintenance, expensive to operate and carbon greedy.
- Contain too many individual offices and flexible working is not possible.
- They are excessively noisy and poorly laid out, too hot with poor air.
- Departments are scattered all over Wembley with the consequence of silo working and a poor headquarters function.
- The Town Hall, which is the Council's main public face, fails to meet the standards expected of an acceptable modern headquarters building.
- Mahatma Ghandi House will require a full refurbishment within the next few years unless a clear strategy to decant is agreed at lease expiry.
- Both Elizabeth House (which contains crucial IT infrastructure and has already been identified as a major risk to the operation of the Council) and Chesterfield House have been placed on the market by their owners. Both sites are seen as development opportunities and it is possible that the Council will be required to vacate within the next 5 –10 years.

- Other main office buildings within the portfolio are simply becoming uneconomic to maintain, unable to cope with changes in technology and resultant greater demands and fail to provide modern working environments for staff and public alike. Of the Council's 12 main leased office buildings, only MG House is held on a lease beyond 2013, half the leases expire before 2010. The opportunity to make a fundamental change to how we deliver our service to residents from our accommodation is clearly available to us over the next few years.

3.2 The opportunity

A Brent Council presence at Wembley will give a major boost to the regeneration of the area and will give Brent residents a community centrepiece in the geographical heart of the borough and in the largest regeneration area in west London. Bringing 1250 to 1500 staff and up to 5.6 million visitors into the area per year will inevitably improve the whole offer to Brent's residents.

The opportunity to bring other public sector partners e.g. The Primary Care Trust to co-locate with the Council will only improve services for our residents.

The problem of leases on the current portfolio coming to an end gives us the opportunity to have a radical re-think about how Brent Council should be providing its services in a manner that respects its residents and partners.

The opportunity to do this is now and it will never come again for this generation or the next.

3.3 Progress to date

The Civic Centre project has been undertaken through careful and systematic stages. Each stage building on the last looking at the feasibility and costing of the project as it nears a final specification. After each stage a report was taken to Executive. The stages are described as follows:-

2002	The need, vision and opportunity for a new Civic Centre for Brent first discussed by officers and Members in May. "Our vision for a new Wembley" launched in November stating that at the core and integral to the vision is a new civic building to be the centrepiece of the community in Brent.
2003	In April Executive agreed to commission feasibility studies to examine the viability of a new Civic Centre for Brent. Two independent financial appraisals were carried out and a firm of architects Witherford Watson Mann was commissioned to investigate best practice in the UK and Europe to suggest concept ideas of what a modern, accessible, professional Civic Centre could look like. Work was also undertaken valuing the Town Hall site, consulting staff and researching the experiences of other organisations in the UK which have commissioned new, well designed, larger premises. Discussions took place with Brent Primary Care Trust, College of North West London, Job Centre Plus, London Metropolitan University, Thames Valley University and Westminster University.
2004	Members agreed in principle to proceed with new Civic Centre project to be located in the Wembley Regeneration Area and

	<p>instructed officers to do further work to develop options.</p> <p>A project director was appointed and a team of consultants commissioned:-</p> <p>Donaldsons - Real Estate and Project Management Consultants</p> <p>Deloitte Touch LLP – Financial and procurement advice.</p> <p>Wetherford Watson Mann – Architects.</p> <p>The brief:-</p> <ul style="list-style-type: none"> • to advise on the type of facility which the council could afford and which represents good value for money • to open discussions with a number of site owners and to identify a small number of possible sites which would meet the needs of the council's accommodation brief and its criteria for location. • to identify the procurement and commercial strategy options available to the council. • to set out a methodology, timescale and budget to advance pre contract commitment work on the civic centre. <p>A considerable amount of internal consultation took place across all service areas to define the democratic and community facing elements of the Councils operations as well as service areas administrative working patterns and potential future needs.</p> <p>Two potential possible models emerged at this stage.</p> <ul style="list-style-type: none"> • A consolidated model including a consolidated set of democratic and community related facilities and integrated service delivery that meets the Councils vision. • A model that continues to meet the vision but which assumes some service delivery is more widely dispersed across the borough in retained buildings or through flexible and remote working, therefore offices and other related areas would be smaller. <p>Both models included partner space provided at no cost to the Council.</p> <p>A detailed report was taken to Executive on 11th July 2005</p>
<p>2005 to 2006</p>	<p>In July 2005 Executive confirmed its earlier in principle decision to proceed with a new Civic Centre for Brent located within the Wembley Regeneration area and instructed officers to take the project to the next stage. The Executive agreed to:-</p> <p>2.1 note the considerable progress made on this project since the meeting of the Executive in December 2004.</p> <p>2.2 confirm their earlier decision in principle to proceed with a new civic centre for Brent located within the Wembley regeneration area.</p> <p>2.3 instruct officers to develop proposals for promoting neighbourhood working across the borough and that the property implications of these proposals are considered in tandem with the proposals for a new Civic Centre.</p> <p>2.4 agree the project execution plan in Section 10 of this report and instruct officers to take the Civic Centre project to the next stage by:</p>

- defining the professional tasks and assistance required in order to take the project to the next stage
- developing a definitive specification which incorporates:
 - an operational policy for the disposition of administrative service resources across the borough;
 - an identifiable and sustainable business case supporting all key public elements of the civic centre;
 - a definition of the quality of accommodation to be specified which meets affordability and value for money criteria
- identifying a preferred procurement route through assessment of the most appropriate allocation of risks and continued discussions with landowners.
- further analysis of suitable sites as the accommodation brief develops. The focus will be on the three or four short listed sites recommended in this report, if accepted by members, but may potentially extend to additional options which present themselves as having the potential to satisfy the civic centre brief. This could include York House.
- identifying a short short list of acceptable sites with which the council can proceed to its final tender process including, if possible, a preferred site.

2.5 note the approach to the procurement process for consultants for the next stage.

2.6 receive further reports be brought to the Executive in due course in line with the project execution plan.

2.7 to establish a cross-party Member steering group to oversee the project to the next stage.

The objective of this stage of the project therefore was to verify the business case for a new Civic Centre by revisiting:-

- The vision and therefore the size and components of the public and democratic space needed.
- The number of work spaces required in the new Civic Centre.
- The site options including preliminary property market testing.
- Identification of the Council's property needs and which buildings would be retained borough – wide.
- Value for money and affordability.

Donaldsons, consultants, were retained for this stage.

The project verification stage included a facilitated session for Members and Officers in November 2005 discussing how Neighbourhood Working in Brent would look in the future and its implications on the new Civic Centre.

Six main features emerged:-

1. Growing demand due to increasing population and public expectation;
2. Rising standards and performance targets set by Central Government and ourselves;
3. A growing role for partners and partnering in shared service delivery;
4. New service configurations, ignoring departmental boundaries and possible borough boundaries;

	<p>5. Impact of information technology</p> <p>6. Future opportunities e.g. the 2012 Olympic Games that we need to grab and make our own.</p> <p>A joint strategic headquarters will be essential with possible co-location / co-delivery with partner agencies. Service delivery will change. For some this will mean more face-to-face delivery by a highly mobile work force. For others this may mean less face-to-face time, client contact being delivered more by internet / telephone where the workforce does not need to be mobile and can be less “accessible”.</p> <p>A detailed exercise involving all Council Directorates established as much as possible at this stage which staff have to be located in the Civic Centre and which are best providing a service at local level. The exercise also looked at the percentage of their working day staff spent at their desks. This established an average ratio of 5 staff to 4 desks.</p> <p>In parallel to the work done above the Council approached the property market during this year to identify any land owners in the Wembley Regeneration Area that were interested in having the Civic Centre on their site and evaluate the responses. This is described in detail in Section 9 below.</p>
--	---

4.0 Critical Issues.

4.1 Our Offer to Brent’s Residents

The critical outcome of this project for our residents, stakeholders and businesses is access to better joint Council services delivered from one place.

In November 2002 Brent Council together with the Mayor of London launched ‘Our Vision for a New Wembley’. The vision document describes how the council has a once in a lifetime opportunity to maximise the national stadium’s impact as a catalyst for regeneration of the area. At the core of and integral to this vision is a new civic building to be the community centrepiece of the redevelopment. A new “heart” for Brent. A building that should have exceptional levels of public access to a wide range of public services, including those provided by the council. A building which will be state of the art for the 21st Century and be a community asset for the residents of Brent for decades to come.

The concept underpinning the proposal for a new civic facility goes beyond the traditional model of a Town Hall, rather it proposes a physical focal point for a range of public services which will function as a new service centre for residents. This would improve immeasurably the quality of service offered to local people, renewing public interest and confidence in democratic local governance and enabling easy access to a set of additional services for residents.

A critical argument for proceeding has been the need to increase the accessibility and transparency of the local council something that is currently hampered by the physical disposition of the accommodation. Another critical issue has been the opportunity to deliver services in partnership with other public service providers and the voluntary and community sector. The myriad of different physical locations from which services are currently provided constrains these opportunities. A new Civic Centre would forge a direct link between elected representation and the broad spectrum of public services people use across the borough.

During the past two years discussions with key public sector partners have endorsed the Council's proposal for a new Civic Centre facility and they have welcomed the potential opportunity for co-location and the greater access, integration and efficiency this would bring to public services. Many of our partners are facing the same dilemma of making short-term investment in inappropriate, old property which limits their ability to provide effective, customer focused services. The alternative is to invest for the future in a modern, purpose-built community facility which reflects the service needs of a diverse, urban population. There is a critical investment choice to be made here, but the choice is more than a simple economic one.

Critical though these issues are the case for the new Civic Centre goes beyond the arguments of cost and value for money. At its core is our vision of the type of offer we want to make to local residents. The creation of a new Civic Centre would in fact be the embodiment of the Council's strategic intent for the future of public service provision within the borough. It would demonstrate that the council is committed to:-

- Leading the regeneration of the borough;
- Providing excellent, modern public services;
- Working creatively with its partners in the public, private and voluntary sectors;
- Putting the operation of local democracy where it belongs, in a quality setting which is accessible to the public;
- Investing for the long-term in state-of-the-art facilities such as a central library that truly enhances the lives of ordinary citizens;
- Showing community leadership
- Environmental sustainability and reducing its ecological footprint.

4.2 The Economic Case

The financial implications of a new Civic Centre are covered in detail at section 12.0 of this report but broadly speaking the Council will have to make significant capital investment in its existing stock of properties in order to maintain a reasonable quality of service to the public and the safety of the working environment. This investment will not raise those buildings to a comparable standard of access and utility and will not overcome the problems of geographical location. At best it will be a short-term-solution that will inevitably generate the need for further future investment. Investment made in a new Civic Centre will vastly improve the quality of community facilities available, improve the provision of a range of public services and in the long-term has the potential to create efficiencies across the whole of the public sector in Brent.

4.3 Local Democracy.

Increasingly local democracy is not just conducted through formal council meetings. Engaging local people in debate, discussion and consultation on local choices and priorities is critical to the process of local democracy. The formation of member-led scrutiny groups, citizen's juries and neighbourhood initiatives requires an accessible building with high quality public spaces that can be used in a flexible and welcoming manner. This is a central element in bringing the democratic process closer to the public and improving trust and confidence in local decision-making and elected Members.

4.4 Public Expectations

The public's expectations of local services and the organisations that provide them continue to increase. Service users have no interest in our structural arrangements or indeed the boundaries that exist between council and other public services. They expect the Council to be able to respond to their needs with an integrated solution that gives them choice. Operating from a range of silo based sites across the borough severely limits our ability to respond in this manner and perpetuates the public's perception that the Council is fragmented and uncoordinated in its activities.

4.5 Developments in local Governance

The introduction of the Local Area Agreement (LAA) model places the local authority at the centre of a network of partnerships that stretches across the public, private and voluntary sectors. The aim of the LAA model is to generate a broad-based consensus on local priorities and an integrated partnership response to those issues. The Council's role as community leader, facilitating innovative and effective partnership solutions is central to the LAA model. It is the Government's intention that the LAA framework will be the future way in which authorities set their local agenda, receive funding and are assessed on their delivery. Responding to these changes in local governance will require co-location of critical joint services in a suitable modern building.

4.6 New ways of working

The old model of office based staff undertaking bureaucratic functions is an outmoded picture of how a modern service provider works. We require less office space and more space that enables interaction with service users, citizens, community groups and partners. Many staff now work more frequently with partners than with Brent Council staff and often in community settings. They need, when necessary, to be able to access quality meeting spaces not desks. In order to achieve the ultimate levels of performance from staff we should be providing spaces that enhance new working methods not hinder them. Staff need flexible spaces, easy accessibility, where they can work along-side staff from across the council and with key partners.

4.7 The Efficiency Agenda

The need to provide efficiencies from public expenditure cuts across all providers. The similarity of many back office functions clearly lends itself to efficiencies not just across co-located council services but across other public service providers. The scope for this is considerable and although at an early stage the Public Service Board is already exploring the options for rationalisation of assets and property across the borough which will in turn improve the integration of related services. Other generic functions such as HR processes also have the capacity to generate efficiencies through shared services at both the local and regional level.

4.8 Sustainability

The council's current portfolio of buildings prevents the council from becoming a leader in sustainability and meeting its aspiration to "*live today and use resources so as to allow future generations our quality of life*" (*Corporate Environmental Policy, 2005*). Due to their age and condition the buildings the council owns or occupies waste energy and water resources and are unequipped to enable a number of cost effective environmental initiatives such as recycling and

temperature management. The location of some of the buildings promote car travel adding to the congestion of the borough's roads and reducing air quality. Together these buildings do not showcase a council committed to improving the environmental quality of the borough.

4.9 Enhancing Our Performance

The Council's commitment to providing excellent public services is still at the centre of its policy agenda. We have made remarkable progress towards that goal but the benchmark is continually being raised. To make further step-changes in our performance both in terms of the quality and the efficiency of services will not be achieved just by doing better what we already do. There are some areas of service which will need to be completely recast to attain the excellent standards that local people are entitled to. That inevitably means providing the right facilities such as better Library spaces, community spaces for people to meet, a place that welcomes and encourages young people to participate in local democracy. A new Civic Centre will provide that space which will dramatically improve our ability to interact with the public and enhance our performance in response to their needs.

4.10 Experience elsewhere

Experience both in the public and private sector has shown that modern flexible open plan offices with welcoming "front of house" areas are part and parcel of improved services. They result in increased efficiency, reduced recruitment and retention costs. Buildings that are fit for purpose value and respect both customers and staff. Consolidation of ageing, expensive to maintain and dispersed buildings brings savings, as does unified strategic "headquarters" working. For this reason local authorities in Suffolk, Hertfordshire, Greenwich, Aberdeen, Ealing among others are all taking or have already taken similar steps to those proposed in this report.

5.0 Excellent Services delivered from an excellent building

The potential benefits to service performance from the creation of a purpose-built Civic Centre are immense. The nature of the building that is proposed will both enable greater public interaction with the work of the Council and enhance integration across services leading to better understanding, co-ordination and implementation. Our current property arrangements provide no such opportunities. They are largely office space accommodation, with limited public access, few meeting rooms or spaces suitable for holding public events and much of the space is under-utilised due to its inappropriate nature.

Due to historic under-investment the state of repair of many buildings is poor, they are unwelcoming to the public and generally signal a disregard for service users as we expect them to receive services within such low-grade surroundings. The message our buildings give to the public is that we are a shabby organisation for an unimportant place and people. If we want to create services that place the user at the centre of our service offer, we need a building that allows you to do that and makes people feel that they are valued.

The new Civic Centre will include facilities that will contribute to better service performance both in terms of the experience of the user and enable the better managerial practices that drive increased efficiency and effectiveness. These would include:

- The location of all service area directorates within one building to improve strategic planning and co-ordination

- Open plan flexible office space for council staff and partners
- A substantial new central library for the borough
- High quality public space for members to meet and work
- Space for our partners – particularly a visible inter-agency presence in delivery, and potentially collocation of similar back-office functions or shared services
- A multi-agency reception and one stop shop providing access to information on all public services within the borough
- A welcoming space for community groups to hold events and meetings.
- A voluntary sector resource centre
- Spaces for training, courses and seminars
- Smaller committee style meeting rooms
- Retail space to rent – potentially for facilities such as cafes, restaurants, bookshops
- Open public spaces with the capacity to hold local displays and exhibitions of public art
- A Registrar's services open seven days a week
- A large capacity assembly hall for 500-1000 people
- A high quality, accessible, flexible council chamber
- Emergency planning control room with CCTV
- Internal and external natural spaces to enhance environmental quality and improve user experience and staff morale
- Staff showering and changing facilities to encourage green travel options.
- Provision of tourist and visitor information
- Advice shops for young people and older people

This list of services and facilities may seem ambitious but they are becoming increasingly common as the core set of services that residents would expect to find in the civic centres of excellent councils. We are in danger of being left behind by clinging to a poor set of buildings that will in ten years time be completely obsolete, while expecting our residents to settle for second best in comparison to the service offer being provided by other councils.

6.0 Seizing the Moment – The Regeneration of Wembley

6.1 In November 2002 Brent, together with the Mayor of London, launched its Vision for Wembley. This document clearly and concisely sets out Brent's expectations in relation to Wembley – the land uses that it expects to see delivered within the regeneration area and the commitments that the Council will make to ensure the delivery of this vision.

6.2 Central to this vision is the desire to establish Wembley as a community focus for Brent. The vision states:

“Underpinning our ambitions is the desire to create a new Wembley and a new focus for Brent. The Council will re-locate many of its key functions to a new civic facility, providing a long term and secure office tenancy. We envisage a new form of civic building incorporating unprecedented levels of public access to a wide range of public services..... a real icon for the people of Brent and a true community asset.” (Our Vision for a New Wembley, pg8)

The regeneration of Wembley genuinely provides a 'once in a lifetime' opportunity to transform a huge area of under utilised land into a genuine asset for Brent and

for London as a whole. As the local authority for the area, Brent Council has a responsibility to ensure that this opportunity is maximised for the benefit of local people. At its most fundamental level this means ensuring that local people are attracted into the new Wembley, that they have a reason to visit the area, that there are facilities and services within the area that they want to make use of. Undoubtedly locating a new Civic Centre within the regeneration area will make a significant contribution to ensuring that Wembley is a destination of choice for local people.

- 6.3 The reverse is also true. By locating itself at the centre of the Wembley regeneration area there is a clear opportunity for the Council to capitalise on a renewed prominence. The Civic Centre would be in an area which will attract 5.6 million visitors every year, thus providing the scope for both significantly increased accessibility to services and improved participation in democracy.
- 6.4 A new Civic Centre is an attractive commercial proposition for any developer in the area. The Wembley office market is very suppressed at present, with little immediate prospect of increases in office rental values. The Council relocating some 1200 to 1500 office based staff into the area could help build confidence within the office market, thus stimulating other investors to consider Wembley for office uses and helping to deliver additional jobs within the area.
- 6.5 Furthermore a significant number of office based staff, together with a regular flow of some 600,000 to 1 million visitors per year to the Civic Centre, will generate significant footfall within the regeneration area and significant additional spending power which otherwise would not be there. This in turn creates potential new and enhanced markets for other uses – in particular retail, leisure, restaurants and bars.
- 6.6 Combined, the regeneration potential of 6.3 and 6.5 above will help to ensure that the new Wembley does contain a genuine mix of uses. The increased footfall and spending power will help increase rental levels for nearby commercial premises. In effect, the Council will be able to ‘take a stake’ in a development area where it currently owns very little land, thus helping to maximise our ongoing influence and negotiation position with regard to future proposals.
- 6.7 A further component of the Wembley Vision is the need for Wembley to be a new Cultural and Educational Centre. Clearly a new central library will help contribute to this aim, and has the potential to both act as a stimulant for further cultural facilities within the regeneration area and also to set a benchmark standard for future such facilities.
- 6.8 Almost by definition Wembley is - and will continue to be - a key source of national and regional pride. There is a major opportunity with the regeneration of the area for Brent to create a real sense of local and civic pride too. The regeneration of Wembley will only be successful if it delivers real and tangible benefits for local people. A new Civic Centre, central library and associated community spaces is a critical component of achieving this vision.

7.0 Doing nothing is not an option

- 7.1 The Council's office accommodation strategy, approved by Executive on 19th July 2005 considered four scenarios, each of which was dependent upon the decision as to the outcome of the Civic Centre project. The preferred options were based on two new-build Civic Centre scenarios. These were for a consolidated model (approx 1,800 staff) and a neighbourhood model (approx 1,250 staff).

At the time the consolidated model was the basis for determining the long term future of the individual buildings within the office portfolio. Subsequent work undertaken by the Civic Centre Project has resulted in the second scenario emerging as the preferred model.

- 7.2 The existing accommodation strategy, agreed in 2005, identified the following properties to be retained or disposed of (although clearly this will need to be reviewed):

Offices identified for decant

Leasehold

Brent House (2008 & 2011)
Brent House Annexe (2008)
Chesterfield House (2010 & 2013)
Cottrell House (2009)
Elizabeth House (2009)
(license)
London Road (2005)
Pyramid House (2007)
Triangle House (2013)
Park House (2007)

Offices to be retained

Hampton House (2013)
Kingsbury OSS (2013)
MG House (2016)

The Courtyard, Harlesden

Offices identified for decant

Freehold

Quality House
Town Hall and Annexe
Bridge Park (offices only)

Offices to be retained

Gwenneth Rickus Building
Grange Road
Cobbold Road
Douglas Ave. Resource C
Challenge House
Brondesbury Road
Barham Park

- 7.3 The strategic review identified the ageing nature of the accommodation and the significant deficiencies in the underlying structure of most buildings. The majority of the leased Council buildings are nearing the end of their natural life and will require major refurbishment over the next few years particularly by the year 2012. Conditions are likely to deteriorate further and as a result increasing amounts of time will be spent patching repairs and fire fighting.

As part of the strategy, and reflecting the wider role of property in support of the retention and recruitment of staff, we will need to make a significant effort on ensuring that we keep the internal spaces looking good and keeping up with modern methods of working. Otherwise this is likely to have an adverse effect on staff morale. For example, a recent flood of sewage at Elizabeth House, which is the Councils IT hub and crucial to the maintenance of the IT network highlighted the ageing and inadequate infrastructure. The problem is an inherent defect which cannot be addressed without significant work to the structure of the building. Another example is MGHouse. Further surveys and investigations of the mechanical and electrical equipment clearly show that relocation from this building to enable a major refurbishment on lease expiry around 2016 could well be inevitable to avoid serious disruption to the occupying services. The underlying plant infrastructure will be at the end of its design life by this time and therefore consideration will be given to releasing this building to coincide with the delivery of the Civic Centre in 2011.

BHP have recently decided to quit Council offices so that buildings such as Dyne Road and Kingsbury OSS will need to be looked at. Further, there are now emerging service strategies which will require review of the accommodation strategy.

For all these reasons it is essential for Property and Asset Management to undertake a review of the portfolio based on this model but it is anticipated that by taking into account any progress with modern methods of working within the Council the amount of any new space, over and above that outlined in the 2005 report and mentioned above will be reduced to a minimum requirement.

Another major factor which will affect and influence the Council's future accommodation strategy is the ability to deliver the new centre by the target date of 2011. As can be seen from the schedule the Council does have an opportunity, by dint of lease expiry dates, to rationalise the portfolio and reduce exposure to dilapidations and double rent of space. There is an extremely tight schedule and the office accommodation strategy will need to retain some flexibility to cater for the potential for the project to drift beyond 2011.

- 7.4 To conclude, if members agree the recommendations in this report it will be necessary to review the Council's existing accommodation strategy at the same time as developing the detailed User Brief. This review will entail a detailed examination of the Council's existing property portfolio (including the Town Hall site, MG House and Brent House) and will be reported to members at the same time as the detailed User Brief.

8.0 The Solution

- 8.1 First and foremost the new Civic Centre will benefit local people by providing better services jointly with our partners and the voluntary sector. It will be a building that residents will want to come into and use.

There are therefore three core components of the Civic Centre; Public, Democratic and Administrative.

The three core components deliver:

Public functions	Multi-purpose meeting, training, conference and assembly room spaces with more community facing service spaces, such as a multi-agency foyer / One Stop Shop, a 'state of the art' central library, a café, and the registrars service.
------------------	---

Democratic functions	Mayoral and Leader's offices, Members' accommodation, and political group offices. The Council chamber and committee rooms are also included in this category but will be flexible, useable and e-enabled.
----------------------	--

Administrative functions	This will include departmental and partner office spaces, meeting rooms and breakout spaces and other ancillary administrative functions.
--------------------------	---

8.2 Making it work for the Public

The public section of the building must be welcoming, accessible but secure and provide strengthened face-to-face contact with the council. By delivering the public

service components effectively in environments that are congenial and without strong representations of authority, the Council can help build a sense of trust and ownership amongst its citizens.

The public section of the building supports the core democratic services. In new Civic Centres the inclusion of everyday public uses can bring a more diverse range of people into contact with local government, adding vitality to the building. Such informal use of the building on an everyday level can serve to reduce people's perception of local government as something that is distanced and inaccessible to them. These 'softer' services in close proximity to the democratic activities taking place in the committee rooms and council chamber may increase the opportunity for the public to find out about and engage with Brent's decision making processes.

Public spaces need to be located at or as close to the active public ground level as possible. This translates into a significantly greater ground floor 'footprint' for the Civic Centre than would be the case for a standard council office building like the Town Hall.

8.3 First Impressions – more than just a public foyer

Approximately 1700 members of the public will enter the Civic Centre each day, based on a current estimate of 600,000 a year. This figure includes the current library in the Town Hall. A new central library without doubt would considerably increase these figures, the number of visitors could easily increase to around 1 million. This will be combined with all of the staff who work in the building. It should be an easy threshold to cross and the place in which Brent Council 'hosts' the public's engagement with services and events and as such should be a welcoming place and not a representation of power and control.

It is necessary to provide a public foyer for the Civic Centre to operate, but with a sensible increase in the floor area of this space a significantly greater degree of participation may be encouraged. We have estimated that a foyer of approximately 30% of the ground floor will be required.

Size is not the only important factor in achieving greater public participation. The carefully judged relationship between the foyer, the adjacent public uses and the active external public spaces will help support the more diverse use of the building and create a place that engenders an exchange of views and ideas – a dialogue.

The public foyer should be programmed, managed, and probably subsidised to establish the conditions that actively cultivate the public's engagement rather than simply waiting for things to happen.

8.4 New State-of-the-Art Central Library

A significant opportunity for the new Civic Centre is to establish a much needed state of the art central library on the site. There is no such facility in the Borough and other local authorities have developed highly regarded buildings, which provide a wide range of services and attract large numbers of residents and visitors. The use of space will need to be flexible to meet changing needs but it is envisaged that the library would include a children's library; a young people's area; study space; an ICT learning area where classes could be provided; a family and local history section; self-service terminals and various other shared spaces. It is anticipated that the library would also be closely linked to café/eating facilities.

Some initial design work was undertaken by Witherford Watson Mann architects which suggests that such a facility could be up to 2,500 nett square metres in size. (The current Willesden Green Library Centre is 1,800 nett square metres). There are implications in building a facility larger than that in the current Town Hall in terms of both construction costs and on-going revenue costs. Consideration will therefore have to be given to the overall strategy and service needs for all libraries across the Borough linked to the whole neighbourhood agenda. If possible external funding will also be pursued.

8.5 Registrar

This activity is a key service provided by the Council and one that can be seen to be a universal one. As every constituent at some point has some contact or experience of births, deaths and marriages, this service intricately relates the experience of the Civic Centre to the life of the community. It can provide a celebratory aspect to the daily life of the Civic Centre if marriage and citizenship ceremonies have some sort of significant relationship to the activities of the centre: either by bringing life to the garden, as is currently the case in the existing Town Hall, or by the location of the wedding room itself.

The wedding garden is a core factor in the success of the current wedding services offered at Brent Town Hall and a space equal to this must be offered in the new Civic Centre.

Civic activities such as Citizenship Ceremonies provide an opportunity to 'capture' people's longer term interest in democratic activities by virtue of their 'special' personal contact, and heightened collective awareness, throughout the ceremony process.

The new Civic Centre will support new methods of service delivery in a number of possible ways. It will allow all of the registry services staff to be on site possibly improving the internal efficiency of the registry (there is currently a back of house operation at Kingsbury). It will also encourage greater links with both the library and the one stop shop, allowing efficiencies resulting from the sharing of ancillary spaces and the provision of joined up services where possible.

8.6 One Stop Service – face-to-face contact

The One Stop Service is the point of contact between the services provided by the council and the public. In the new Civic Centre, it will reflect the increased use in the future of call centres and the internet. It is likely that those people that will be using the One Stop Service will be the cases that are not able to access service through these means, either through poverty, language difficulties or other special needs or perhaps people who just want to speak to a human being. The aim of the service is empathy as well as efficiency.

8.7 Flexible Assembly/performance space for the 21st Century

As one of the 'soft spaces' in the new Civic Centre, it provides a level of community involvement/ attachment to the Civic Centre and the possibility of engagement with the political activities going on within it. It is also important for the Council to provide a place in which large groups from within the local community can gather for major festivals, events, or family/community gatherings.

The current Paul Daisley Hall is fully booked for months ahead and adds a vibrancy to the Town Hall atmosphere. The large hall can provide a degree of activity and vitality to the Civic Centre.

The 500 -1000 person hall would need to be on the ground floor to manage the movement of people that would result from the activities that might take place there. It would need to be both visible and highly accessible from the public realm of the Civic Centre. If assembly/performance spaces are to be included in the civic centre then it would be sensible for the large hall to share ancillary spaces and, most likely, management with the assembly/performance space.

8.8 Local Democracy at its heart

The democratic section of the building is its core; without it the Civic Centre is little more than council offices with a weaker sense of public “ownership”. This part of the Civic Centre comprises: the Council Chamber, the committee rooms, the political offices, the Mayor’s office and their associated foyers and circulation space.

The change to the executive/committee system must be accommodated. This translates as more committee rooms, in a more equal relationship to the full council chamber than previously. The public must be given place as participants rather than spectators in the council chamber and committee rooms, the rooms therefore need to be of varying sizes, with different layouts. They require ease of access, avoiding monumentality and formality while respecting the dignity of the space.

8.9 Committee Rooms

The new Civic Centre provides an opportunity to reconfigure the committee rooms in recognition of the new cabinet model of local government accountability, which includes the overview and scrutiny functions to encourage a greater public participation in this process. In Brent we also have a civic Mayor. The committee, witnesses and public should be organised in an informal triangular relationship.

The committee rooms need to be easily accessible from the major public space of the Civic Centre. They also require close proximity to both the political offices of the members and the Council Chamber. The possibility of overlaps with the meeting spaces required by the officers and for training would also suggest that reasonable proximity to the administrative area of the building would be required. Flexible meeting rooms and spaces as well as training rooms have also been factored into the administrative section and into the central library.

8.10 Council Chamber

Like the committee rooms, the council chamber should be designed to accommodate the new cabinet based system of local government accountability and encourage a greater public participation in this process. These changes were described in an analysis of two possible models for the council chamber by Witherford Watson Mann Architects. One model is a traditional arrangement where councillors face the Mayor, with the public seated behind. The second model is the tri-partite model where there is more equality between the councillors, witnesses (e.g. officers) and the public where all parties face one-another during debate.

The council chamber needs to be easily accessible/visible from the major public space of the Civic Centre but does not have to be on the ground floor. The first floor would be a more suitable location for this use.

The chamber requires close proximity to both the political offices of the members and the committee rooms. The degree of separation between the public, the members and the council officers for security reasons may also be an issue for the Civic Centre.

A civic room with a level floor could provide an alternative to building a council chamber. The room could be set up ten times a year for a full Council meeting, but provide the flexibility to be used all year to accommodate civic receptions, presentations and ceremonies.

8.11 Staff – Providing the Service

The staff offices of the Council currently occupy approximately 28,500 nett square metres of space in the Borough, housing some 2600 members of staff (excluding teachers and other school based staff) in 25 buildings. This produces an existing desk density of around 10.4 square metres per workstation and, for the most part, each council employee has their own permanently allocated desk.

Consultation with Service Directorates has so far identified that between 1200 and 1500 staff are required to be located in the new Civic Centre. A combination of remote, flexible and home working is vital for the future and means that not all staff will need their own desk. This will especially be the case where staff are working with clients in their own homes or are more usually on site rather than at their desks for the majority of their working day. There are several pilot schemes testing these options currently. Under these assumptions, it is envisaged that an average of 4 workstations will be provided for 5 staff. More efficient information technology, paper scanning and storage solutions will also enable a reduced area of 10 square metres per workstation. To support staff who work more remotely adequate meeting spaces will have to be provided.

The latest and most cost effective ICT will be deployed to support and enable more efficient service provision both in the new Civic Centre and to support remote and flexible working. This will also be an excellent opportunity to showcase to residents and staff the potential of ICT.

Further analysis of the numbers of staff required to be accommodated in the new civic centre and elsewhere will need to be undertaken and will inform the User Brief which will be developed further once member approval to proceed to the next stage is secured. This analysis will also feed into the recommended review of the Council's accommodation strategy which will be done in parallel with the analysis of staff numbers, etc.

8.12 Brief for Accommodation

The new Civic Centre, excluding car parking, will require total floor space of some 20,500 square metres gross internal area (GIA).

The number of staff to be accommodated in the New Civic Centre will be 1250 with 1000 desks spaces. The remaining staff will be accommodated elsewhere or will work remotely. This will be addressed at the next stage when members consider the revised accommodation strategy.

This incorporates a 0.80 flexible desk factor that will provide an average of 4 desks for 5 staff depending on the service provided.

The outline brief of required accommodation is shown in the following table:-

	Staff FTE's in Civic Centre	Flexible Desk Factor	Desks/ Seats/ Spaces	Area Unit sq.m	NIA* sq.m	Efficiency factor	GIA* sq.m	Rounded GIA* sq.m
Office Accommodation	1250	0.80	1000	10	10000	0.85	11765	12000
Members Accommodation			25	15	375	0.85	441	450
Conference/Meeting Rooms			1150	2	2300	0.80	2875	2900
Public Reception Spaces					2400	0.90	2667	2700
Retail / restaurant			300	1.5	450	0.66	681	700
Library			250		1500	0.85	1765	1800
TOTAL NIA and GIA					17025		20194	20550
Car Parking			100	28	2800	1.0	2800	3000
Total including car parking								23550

*NIA = Net Internal Area

GIA = Gross Internal Area

Car parking

The project team has taken account of the Council's guideline policies for car parking and future travel plan options in defining a reasonable basis for the provision of car parking in the Civic Centre. For the feasibility study, a total of 100 car spaces has been allowed for, made up of a mix of administrative, visitor, operational and leisure spaces. The location of the new Civic Centre in the Wembley regeneration area will allow access to the considerable parking provision in the area that supports the new national stadium as well as the Quintain development. It is essential however that the Civic Centre is easily accessible by public transport.

9.0 Site Options

9.1 Background

In parallel to the evolving definition of the requirements for a civic centre in Brent, since 2003, the Council has approached the property market at various points to identify and evaluate potentially suitable sites. A summary of all sites considered at various stages during this time is contained in Appendix 3.

As the Council's view on the size of the required building has evolved, different site options have come in and out of contention. By the time of the Executive meeting in July 2005, three sites were identified as having the best potential of meeting the Council's requirements, all of them in third party ownership:-

- Site A: The Olympic Office Centre, Olympic Way, owned by Insight Investments
- Site B: Brent House, Wembley High Road, owned by CLS Holdings
- Site C: York House, Wembley Park Road, owned by Quintain Estates and Developments

It was agreed by the Executive that there should be further analysis of suitable sites with the focus on the three or four shortlisted sites, as set out above and that officers should identify a shortlist of acceptable sites with which the Council could proceed to final tender stage.

In parallel to this analysis, a project execution plan was prepared which proposed that further investigations into the potential sites be undertaken in two parts:

- Part 1 Project Verification Phase between September 2005 and July 2006, in which the Council's preferred operating structure is refined, detailed business cases reviewed and preliminary commercial proposals obtained from site owners.
- Part 2 Project Procurement Phase between July 2006 and December 2007, in which detailed procurement, commercial negotiation and financial close of the civic centre contract take place.

The rationale for this approach was to meet four important objectives.

- to maintain internal momentum in the project and crystallise the council's thinking about its operating requirements
- to keep the property market engaged and to ensure the Council's timescale of 2011 for delivery of a new building not blown off course.
- to ensure that the project secured full political support following the Local Council Elections in May 2006 before the Council moved into the detailed procurement, and
- to contain professional fees until the business case had been thoroughly tested and verified

The two phase approach ensured that these objectives could be met with the most effective and economic use of Council resources.

This section of the report deals with the responses which have been obtained from the site owners as part of the Project Verification Phase.

9.2 Explanation of the Project Verification Phase

The key stages of the project verification phase have been:

Stage 1 – September 2005 to February 2006

An internal debate and agreement on the way forward for the Council's service delivery model. This work was managed by the Civic Centre Project Group with minimal external involvement and has been described in Section 3 above. The product of this work has been its subsequent translation into a refined brief of accommodation for the new civic centre and identification of the balance of the council's property needs – borough wide.

Stage 2 – January to February 2006

With the identification of the council's brief for the civic centre, the appointment of consultants to advise on and manage the procurement of preliminary property market testing. This has included the preparation of specification documentation, the management of the interface with the property market and the subsequent analysis of the responses from interested site owners.

Donaldsons were appointed to advise the Council through a tendering exercise, completed in February 2006.

Stage 3 – February to July 2006

The substantive commercial work undertaken within the Project Verification Phase occurred during this time. Preliminary market testing of alternative site options was conducted through the mechanism of a 'Request for Proposal' ("RFP") process. In the RFP, the site owners were invited to submit responses to a number of questions and to make such proposals, in response to the council's requirements, which they considered beneficial to the council's needs

An RFP document was prepared seeking responses to a range of commercial, technical and legal enquiries. It was accompanied by an information pack including a schedule of accommodation requirements and an outline building performance specification.

The RFP document sought outline commercial proposals on a number of alternative procurement options:

- Land purchase – The Council purchase a site outright from the current landowner and then tender their own design and construction of a new Civic Centre
- Option to purchase land – The Council enter into an agreement with the landowner that gives them an exclusive right to purchase the land at a predetermined price within a 12 month period
- Turnkey package – The current landowner is responsible for designing and procuring the construction of the civic centre, which is sold to the Council on completion to a Category A standard (excluding the occupier's bespoke fit out)
- PFI/PPP – The Council enter into a contract with the current landowner to design, build, finance and operate the Civic Centre for a period of 25 to 30 years, with ownership of the asset reverting to the Council at the end of the contract period

- Standard Lease – The current landowner is responsible for design, development and financing the construction of the Civic Centre. The Council enter into a long term lease upon completion with periodic rent reviews geared to open market rental values or to suitable market indices. Ownership of the asset resides with the landowner.

In addition to the three sites identified in September 2005, an advertisement was placed in the Estates Gazette (the most widely circulated property publication) on 5th May, inviting expressions of interest from landowners within the Wembley Regeneration Area and applications for a copy of the RFP document and full information pack.

In the event, expressions of interest were only received within the allocated time limit from the three landowners identified above and the RFP was subsequently issued to them in May 2006, inviting responses to be submitted by 9th June. A further telephone enquiry was received approximately three weeks after the deadline had closed in relation to a site located in the industrial area to the east of Wembley Stadium. But after consultation with the project group it was agreed that this would not be a suitable location for the Civic Centre and they were not invited to submit more detailed proposals.

- 9.3 A detailed evaluation of the responses to the RFP is given in Appendix 1. **This Appendix is not for publication and is commercially sensitive but is summarised in below.**

Site A: Olympic Office Centre

Following the initial expression of interest, the site owner Insight Investments declined to respond to the RFP as they were not prepared to commit to the costs and time resources required to do so without a strong indication that they were the Council's favoured option or an undertaking from the Council to cover their costs.

Site B: Brent House

CLS Holdings assembled a professional team to provide a comprehensive response to the RFP including a fully costed commercial proposal, an outline scheme design supported by an architects model and detailed technical information.

Site C: York House

Quintain provided a response which focussed on the commercial aspects of the RFP. They did not appoint a professional design team but costed out a new building on this site instead, relying upon the preliminary massing study undertaken by the Council's appointed architect (Wetherford Watson Mann) in 2005. Their justification for this limited response was the compressed timescale imposed by the Council, the lack of internal budget available and a need for prior reassurance on Council Members' support for the Civic Centre project following the change in political control at the May elections.

In terms of general planning feasibility, Brent Council's Chief Planning Officer has commented as follows;

"All three sites are appropriate for the new civic centre in planning terms, being within the Wembley Regeneration Area and close to public transport. The sites are all capable of accommodating buildings of design quality and impact to fulfil the

requirements of the brief although this has only been demonstrated in any convincing manner by CLS Holdings with the Brent House site. The adopted UDP does not present any insurmountable constraints on the area, and the civic facility is highlighted as making a positive contribution to the area surrounding the stadium in the Development Framework – Destination Wembley (2003) agreed by the Council and the Mayor of London, and in the Wembley Masterplan (2004).”

Where the build costs of the proposals have been analysed against the Council’s base case, the following definitions have been applied:

Shell and Core - the specification for a building which describes the structure, external envelope, central plant building services systems and fire and life safety systems.

Category A - the specification for the fitting out of a building, from Shell and Core, to allow for a tenant to occupy the space to a very basic standard, so including, for example, carpets, power outlets, ceilings. These works are normally provided by the building landlord. Category A works are rarely sufficient for most tenants, who require fitting out works specific to their own needs (Category B works).

Category B - the specification of works required by a tenant for its own occupational requirements, including such elements as dividing walls for offices, specific lighting and power requirements, reception, meeting and restaurant facilities and all IT equipment, fixtures and furniture. At the end of the tenant's lease, it would be required to take out all Category B fitting out elements and restore the space to a Category A standard for the next tenant.

Insight Investments have declined to respond further to the RFP. Previously they have also stated that they would not be prepared to sell this site and would only be prepared to treat with the Council on a leasehold basis. It is recommended therefore that no further work is done in respect of this site and that members select sites B and C as the two preferred sites for a new Civic Centre.

9.4 Risk

The specific impact of some financial risks on the business case has been addressed in confidential Appendix 1 but there are other risks that impact upon the timing and quality of the development that will need to be carefully managed and mitigated. Some of these are specific project risks and other are corporate risks which affect the organisation as a whole.

A risk matrix, which is attached as Appendix 4, identifies the key risk areas, their prospective timing, financial and qualitative impact and the principle means of mitigation.

A detailed risk schedule outlining the primary implementation elements sub elements and their associated risks, quantum of risk, likelihood of incidence and impact of incidence should be created as a project management tool and reviewed as part of a wider quality assurance process.

10.0 Environmental Efficiency Issues

The new Civic Centre, if it is a carbon neutral building, will be the single greatest contributor to our internal environmental performance targets on carbon, procurement, recycling and transport. Considerable annual savings could be achieved in terms of electricity and gas usage as well as waste disposal.

By replacing the majority of our old buildings the council will demonstrate civic leadership by subscribing to a number of sustainability principles:

- Cradle to grave approach – planning the whole life cycle of the building, considering the environmental impact at each of these stages:
 - Conduct a sustainability appraisal for each civic centre option.
 - Design the building for efficiency, sustainability, recyclability, end of life demolition or upgrading.
 - Ensure current asset disposal plan accounts for waste, recycling, re-use.
 - Ensure contractor uses sustainable materials for build.
 - Fit out according to environmental purchasing policy using durable and natural products
- Sustainable procurement – all materials, products services subscribe to council's environmental policy and environmental procurement strategy to help Brent achieve its sustainable procurement vision for 2010.
- Sustainable Healthy Transport – the area immediately surrounding the Wembley regeneration area including the Brent House site is a designated Air Quality Management Area. Promoting the new Civic Centre as a public transport destination will improve health.
- Healthy Building – natural spaces to improve air quality and morale, natural materials that are non-toxic, renewable, durable and recyclable. Natural lighting to prevent seasonal affective disorder, eco-décor to help prevent sick building syndrome.
- Temperature tolerant – needs to withstand temperatures for -10 to +40 degrees to account for the uncertainty of a changing climate and extremes of temperature using a solution that does not exacerbate the problem.
- Zero waste – as a goal. Everything can be recycled from paper to batteries, the café or restaurant will not sell food in packaging that cannot be recycled.
- Innovative – target and standard achieving, BREEAM (Building Research Establishment Environmental Assessment Method) excellence for offices
- Open door policy – remaining flexible, adaptable, able to respond to change, anticipating the future for working, energy production, waste. If it is not affordable now, it is not designed out of future possibility.

11.0 Procurement of consultant team

- 11.1 To date from conception the project has been managed through a Steering Group chaired by the Chief Executive and since 2004 supported by a smaller working group of officers led by the Project Director. This project working group has enlisted the support of external consultants as and when required and has retained the services of consultant surveyors, Donaldsons, for the last two and a half years.

The next phase of the project, prior to legal and financial commitment, will be critical in defining the concept, the building and the build costs and the way the Council will optimise the use of the building for itself, partner organisations and the wider community. Therefore the existing internal project groups are to be re-organised to reflect the key milestones to be achieved and consequently it is

considered appropriate, at this stage, to seek to recruit additional external expertise in a number of specialisms.

There are four key areas of specialism:

- Legal
- Consultant surveyors to provide detailed real estate advice and engage in negotiation with site owners.
- Architectural and building design advice
- Financial

The contracts will be let until the end March 2008 to align with new Property Framework Consultancy contracts which the Council intends procure.

All contracts with the exception of Legal will be advertised in OJEU using the Restricted Procedures because of the aggregate value of the contracts over the anticipated life of the project and because the services are Part A services and are therefore required to be procured in this way (Legal is Part B).

The cost of consultants for the entire project will be significantly more than the estimates indicated below which cover only the period up to the next stage i.e. up to March 2008. A ball park figure of £3m should be factored into projections used in the financial models which will continue to be developed.

11.2 Legal

It is intended that external legal advisors will be retained to provide legal advice on contracts and procurement, property, planning and project financing issues.

Based on previous expenditure on legal advice for large projects such as the Willesden PFI the estimated value of the contract for external legal advice for this stage of the Civic Centre Project is approximately £170,000. Accordingly, this contract will be a Medium Value Contract under the Council's Contract Standing Orders and ordinarily would need to be tendered by public advertisement. However, the Borough Solicitor has advised that due to the complexity and size of the project there are only a small number of legal firms that would have relevant experience and capacity to undertake the work. Additionally, legal firms are unlikely to give a fixed price for contract and therefore the award of the contract will be based on criteria such as experience and the hourly rate offered. It is therefore considered that the Council would be unlikely to gain a better price or deal by going out to tender and that a more streamlined competitive process could be developed which would still ensure that the Council receives best value for the contract but does not incur the expenditure of a full tender exercise.

The competitive process would involve the Council approaching 3 to 5 legal firms directly and asking them to submit a bid for the provision of legal advice on the project. Bids would be evaluated on the basis of the most economically advantageous offer to the council using evaluation criteria determined by Legal Services.

The Borough Solicitor recommends that the Executive grants an exemption from the requirement to tender the contract for external legal advisors on the basis of the good financial and operational reasons set out above.

11.3 Consultant Surveyors

It is important that the project is a success on a number of levels and that we do not set out simply to build a building. We will need to fully engage with the public, staff and stakeholders and thus ensure we deal with consultation both internal and external. We will need to develop various enabling strategies which will ensure we make best use of the building. Therefore recently the Council's complimentary office accommodation strategy developed a set of parameters for corporate space standards and submitted to the officer boards of Assets Board, Efficiency and Strategic HR. To support this work and ensure it is complimentary to the way the new civic centre will operate it is recommended the Council appoint external space planners to assist in promoting the modern method of working agenda and to begin to ask staff to look at the change management issues which will arise. It is envisaged the appointment would be for an initial 12 months period to develop the standard and assist implementation where opportunities arise within the existing portfolio.

Consultant surveyors will also be required to provide detailed real estate advice and to engage in negotiations with the two site owners as to the form of development as mentioned previously in this report. Particularly important will be a cost management surveyor e.g. Quantity Surveyor, who will effectively scrutinise the final bid offers submitted by the landowners. It is possible that this appointment could take the form of lead consultant.

11.4 Architectural and Building Design

The consultants will provide architectural and building design advice which will also be useful in reviewing the Town Hall site for potential alternative uses. As mentioned above it is possible depending on how the Council chooses to package this work that a consultant may be selected to provide a lead position on all areas including those set out above. However this will require further consideration and discussion at officer level as it will be important to ensure we only commit to acquiring such services as we need to move onto the next phase until such time as we move beyond legal commitment.

11.5 Financial

The role of consultant will to be advise the council in respect of the cost models and proposals.

11.6 In accordance with Contract Standing Orders 89 and 90, pre-tender considerations have been set out below for the approval of the Executive

Ref.	Requirement	Response
(i)	The nature of the service.	<p>Contract 1. Consultant surveyors to provide detailed real estate advice and engage in negotiation with the two site owners. This will also include Quantity Surveyor and Mechanical and Engineering and Environmental advise. The Consultant surveyors will also act as lead consultants.</p> <p>Contract 2. Architectural and building design advice including space planning.</p>

		Contract 3. Financial. Maintaining and updating the cost model for the Civic Centre project and providing expert advice on the entire range of financial issues for the authority.	
(ii)	The estimated value.	Contract 1: £450,000 Contract 2: £150,000 Contract 3: £75,000 (for this stage only) See above paragraph 11.1	
(iii)	The contract term.	Till end of March 2008.	
(iv)	The tender procedure to be adopted including whether any part of the procedure will be conducted by electronic means and whether there will be an e-auction.	All three contracts will be advertised in OJEU under the restricted procedure (2 stage process). The contracts will be advertised under one notice which will allow potential tenders to bid for one or more contracts.	
v)	The procurement timetable.	Indicative dates are:	
		Adverts placed	December 2006
		Expressions of interest returned	January/February 2007
		Shortlist drawn up in accordance with the Council's approved criteria	January/February 2007
		Invite to tender	January/February 2007
		Deadline for tender submissions	February/March 2007
		Panel evaluation and interviews	March 2007
		Panel decision	March/April 2007
		Report recommending Contract award circulated internally for comment	March/April 2007
		Executive approval	April/May 2007
		Mandatory minimum 10 calendar day standstill period – notification issued	April/May 2007

		to all tenderers and additional debriefing of unsuccessful tenderers	
		Contract start date	April/May 2007
(vi)	The evaluation criteria and process.	<p>Shortlists are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines namely the pre qualification questionnaire and thereby meeting the Council's financial standing requirements, technical capacity and technical expertise. The panel will evaluate the tenders against the following criteria:</p> <ul style="list-style-type: none"> • Financial competitiveness and Affordability • Health and Safety • Ability to meet the requirements of the service specification • Quality control and assurance • Technical competencies associated with the service • Ability to meet timescales • Customer care • Ability to ensure smooth and seamless implementation 	
(vii)	Any business risks associated with entering the contract.	See Appendix 4	
(viii)	The Council's Best Value duties.	<ul style="list-style-type: none"> • The project will be advertised to encourage lower prices through open competition thus providing value for money for the Council. • The tenders will be advertised as an economically advantageous tender. Part of the assessment will be to look at whole life costs of the service. 	
(ix)	Any staffing implications, including TUPE and pensions.	None	
(x)	The relevant financial, legal and other considerations.	See sections 12 and 14 below	

The Executive is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

12.0 Financial Implication – the Financial Business Case

Factors for consideration

- 12.1 All reports have explained how a new Civic Centre will help ensure that the Council can meet the many challenges of providing complex services to meet the changing needs of the community.
- 12.2 But the Council has made clear that it will only proceed with the Civic Centre if the financial case, as well as the service case, is strong. The Council has to balance its ambitions for the new Civic Centre against the need to demonstrate that the benefits outweigh the costs and the impact on the council's finances.
- 12.3 There are two key questions that the Council has to address:
1. Does the proposed Civic Centre provide value for money?
 2. Can the council afford to pay for the Civic Centre?
- 12.4 Work carried out for the previous report has been up-dated to reflect the latest figures and information received from the RFP exercise. This section of the report therefore details the results of this further work on the value for money and affordability of the Civic Centre.
- 12.5 Options considered

This analysis uses a number of different scenarios which are set out below:

(i) Baseline (Do Minimum)

Given the poor condition and unsuitability of most of the Council's current office buildings there is not a "*do nothing*" option. This scenario attempts to cost bringing the portfolio to a reasonable standard. It does not make allowance for the inevitable need to deliver many services substantially differently.

(ii) Vision

This reflects the costs of a notional option based on the Council's requirements set out in the RFP. It has been used to assess the "*reasonableness*" of the submission from CSL and Quintain. Costs have been based on industry standards for the construction and financing of such projects. It also is based on the original size assumptions when the project was first conceived. This provides an audit trail to track changes as the thinking and needs develop. The vision assumes that 1,560 would operate from the Civic Centre. The options below (iii) to (vii) assume 1,250 staff and a 10% reduction in non-office space excluding the library.

(iii) Quintain Turnkey

(iv) Quintain Land Sale

(v) CSL Turnkey

(vi) CSL Land Sale

(vii) CSL Lease

12.6 The Financial Model

A model has been created by Deloitte to assess both the VFM and affordability. This has subsequently been maintained and updated by Donaldsons. The assumptions also have been regularly reviewed and are set out in detail in Appendix 5 of the report. These assumptions are regarded as realistic and prudent. The model allows a high degree of flexibility to change these factors to reflect new circumstances and to cost a wide range of scenarios and risks.

Value for money assessment

12.7 Previous reports have set out a number of strong reasons why a Civic Centre would provide better value for money for the council than the current portfolio. These included:

- (i) Current services being delivered from over 20 buildings which are in need of on-going substantial maintenance just to keep them functioning, given the lack of investment in previous years.
- (ii) A number of the buildings are not fit for purposes for delivering the services required in the 21st Century and significant conversion and modernisation costs are needed.
- (iii) A new building would allow advantage to be taken of the latest technology and design principles to achieve efficiencies in both running costs and working practices. This mirrors the requirements of the Gershon efficiency agenda and the recent Local Government White Paper "*Strong and Prosperous Communities*".

Further analysis of the model is contained in Confidential Appendix 2 – not for publication as commercially in confidence.

12.8 Section 11 of the report sets out a proposed process to procure expert advisors to support the project in its next stage. Until the tenders are received and contracts awarded only an estimate of the likely budgetary requirement can be made. For 2007/08 it is felt that a maximum budget of £850k should be earmarked. In addition full time administrative support is required to co-ordinate the project at a cost of £40k. This is available in the current base budget, within central items, in a combined budget which also is assigned to meet the revenue costs of maintaining the Council's current office portfolio.

12.9 Summary

The VFM and affordability analysis provide a strong case to justify proceeding to the next stage of the project. It is recognised that this is a complex project and Appendix 4 includes a risk analysis which links to a number of the financial issues raised in this section of the report.

13.0 **Communication and Consultation Strategy.**

In order to provide information and consult with stakeholders and local people, a full communications and consultation strategy is taking shape and will be deployed. To inform, consult and update staff, seminars have already taken place and other activities are planned. An internal communications strategy will also be developed in conjunction with HR & Diversity Unit to ensure all staff are kept fully updated and engaged with developments.

Internal communications will include

- **Brent Intranet** – new pages within Brent’s intranet communicating key issues, messages and benefits and inviting feedback/debate via a discussion forum
- **Brent Council Staff Seminars** inviting key speakers – similar in format to the Improving Brent seminars, to update staff on project
- **Staff focus group (including Trade Unions) research** to explore employee hopes, fears, trust and aspirations of working from a new 21st Century building and in new ways.
- *This research will form a key plank in the future communications strategy
- **Personal email to all staff from the project director**, setting out key issues, what it means for staff and what steps are being taken at what time... ‘personal reassurance email’
- Regular articles in **Insight, Members Bulletin**
- Internal web polling (Q&A) asking staff for efficiency suggestions (exercise ensuring staff voices, ideas and concerns are involved)

External communications

- Undertake a public information exercise through events/area forums and round table meetings, once key issues agreed and site identified, inviting local people to provide feedback and suggestions about what they would like to see within a new Civic Centre
- Involve residents in the design of the new library/resource centre
- Press briefings for local and specialist press
- Press briefings to all relevant media
- Communication briefings and Q&A: prepare background briefing with agreed responses to key questions for all spokespeople to draw on in answering questions from a variety of audiences including Members, residents and media
- Briefings at all key forums including youth and disability
- Briefings to all key stakeholders
- Briefings to all Members

Getting the message across:

- Identify a spokesperson (Member) for the project who will champion the project internally and externally, give any press briefings and required presentations
- Recruit a team of ‘civic centre champions’ (Civic Centre Steering Group members) to act as ambassadors to help get positive messages across to all staff
- Overcome trust issues in relation to change in working practices by painting positive pictures of how delivery of joined up services will help to deliver better value services to Brent’s residents
- Use pictures and graphics to get message across of how service areas will look and operate under ‘one roof’
- Use examples/case histories (personal human interest) of change to get message across in marketing materials (pledge cards, posters). Perhaps from other local authorities and public sector bodies

14.0 Legal Implications

- 14.1 The Council has various powers to acquire premises from which to provide services and accommodate staff. It can also provide leisure and library facilities, restaurants and cafeterias, information centres and tourist offices.
- 14.2 There are a number of different options for procurement of the new civic centre and these have been addressed in previous reports. It is not clear yet which method of procurement will be best for this project and this will be reported to members when the Detailed User Brief is submitted for approval. The options range from freehold site acquisition and construction contract through to acquiring a long lease of a finished building. The implications of the various options in terms of the EU procurement rules will be addressed at the next stage.
- 14.3 Members owe a fiduciary duty to the Council Tax payers of the borough and must act reasonably at all times, but particularly in relation to expenditure. Members must take into account relevant considerations and ignore all irrelevant considerations. Relevant considerations in this context would include the estimated cost of the new civic centre compared to the estimated cost of remaining in the same or similar accommodation in the future, the scale and nature of the building to be procured and the extent of voluntary or non-essential services being provided, the value that co-location of those services would be likely to bring, the selection of the preferred sites and the likely cost thereof.
- 14.4 The Surveying, Architectural and Financial services set out in Section 11 of this report are all classified as Part A services under the Public Procurement Regulations 2006. It is proposed that the three services will be tendered as one contract split into lots allowing the option for potential tenders to bid for one or more lots. Accordingly the value of all three services must be aggregated when determining the contract value. The aggregate estimated value of the Surveying, Architectural and Financial services is higher than the EU threshold for services contracts and therefore the contract is subject to the full application of the EU regulations as well as the Council's Standing Orders for High Value contracts.
- 14.5 Once the tendering process is undertaken Officers will report back to the Executive in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.
- 14.6 As this procurement is subject to the full application of the EU Regulations, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the EU Regulations before the contract can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.
- 14.7 The contract for the provision of legal advice for the Civic Centre Project is a Part B Service under the Public Procurement Regulations 2006 and is therefore not subject to the full application of the regulations. It is, however, subject to the

overriding EU principles of equality of treatment, fairness and transparency in the award process and the Council's Contract Standing Orders.

- 14.8 The Council's Standing Orders require that contracts valued above £144,371 be procured through a competitive tendering process commenced by public advertisement. However, Standing Order 84(a) provides that the Executive may decide that a contract need not be procured in accordance with the Council's Standing Orders if there are good financial and/or operational reasons for this.
- 14.9 As the contract for the provision of legal advice for the Civic Centre Project is a Medium Value Contract (valued between £144,371 and £500,000) under the Council's Contract Standing Orders, officers have the necessary authority to agree the evaluation criteria and the award of contract pursuant to Part 4 paragraph 2.5 of the Council's Constitution.

15.0 Diversity Implications

The new Civic Centre will be a building that is fit for purpose for local government in the 21st Century. It will be a building that will strongly reflect needs and celebrate the diversity of Brent with inclusive events for residents, business community and staff. It will be welcoming and open to all of our community.

Unlike Brent's current buildings which leave much room for improvement for accessibility, it will meet our statutory requirement to be accessible to all and be fully compliant with the Disability Discrimination requirements. A formal Impact Needs/Requirements assessment will be undertaken as part of the next stage of the project and will inform the final specification for the new Civic Centre.

16.0 Staffing implications

Brent currently employs some 3,240 council-based employees, 2,623 are full time employees and 617 or 19% work part-time. 42% of staff are Brent residents and another 42% travel from other London Boroughs. These figures do not include teachers and staff employed by partner agencies but working in council offices.

The development of a high quality modern building will provide vastly improved office space and working conditions for Brent staff. While it is not envisaged that all staff will need to be located in the centre, its development provides an opportunity for more strategic deployment of staff resources overall.

Recent staff survey results have shown that more than 1 in 5 of our staff are less than satisfied with their physical working conditions. This could impact on retention of staff and work performance, especially longer-term by improving staff morale and associated positive traits in improved sickness levels, more positive staff engagement and recruitment and retention rates.

Good, fit-for-purpose and attractive working conditions and facilities may not only impact on staff retention but also recruitment. Working from a modern, flagship facility at the heart of Wembley could provide an additional incentive for staff to come or remain working for the Borough. Brent currently recruits from the local and London labour market, with many staff coming from other local authorities. Almost all parts of the Council are currently faced with recruitment and retention hot spots. As the Wembley regeneration programme and Olympics project progress Brent will face increasing competition from other local employers.

The civic centre also presents an opportunity to take significant strides to improve service delivery through new forms of work organisation. Indeed it provides a focal point for developing a workforce, with the skills and working practices to deliver 21st century service excellence.

Currently, the diversity of Brent's building stock limits opportunities / efficiencies for joint working and development across different directorate personnel. Put simply, housing staff over so many different buildings, reduces overall efficiency and effectiveness. The new Civic Centre will allow all key service areas to be co-located for the first-time and provide a clear basis for more multi-disciplinary working and integrated planning and service provision. In the meantime, Brent's draft workforce development plan and people strategy is already addressing the aim to increase skill levels, productivity, flexibility and adaptability of the workforce overall.

The civic centre project includes stretching targets to reduce the overall requirement for office-based workers. Flexible working (including tele or remote and home-based working) and work-life balance strategies will enhance productivity and performance in key service areas while also acting as a major recruitment and retention tool.¹ Brent Council is already recognised as a flexible, family friendly employer. However, by increasing flexible working patterns through new remote technologies, in professional and senior levels, should provide even more comprehensive edge in hard to recruit areas. However, some of the changes will also require different forms of 'back-office' and strategic support involving new ways of working across the organisation.

More flexible and adaptable office space will be required as more staff require less 'desk' time and more team and project meeting space. It is also envisaged that all staff will have increased access to technology based learning opportunities and that space may be adapted for training and development purposes. Currently some staff lack access to basic IT facilities or e-learning facilities where they work. The civic centre could provide a central 'drop in' facility for staff need to work or learn away from their home or office base.

Members, managers and staff, need to be preparing now for new ways of working. As indicated earlier, Brent's emerging people strategy is already addressing the need to address changing demands and our future workforce requirements. While the civic centre provides a focal point or potential icon for these changes, they are in fact necessary regardless of the building issue. The civic centre will enhance the value of the changes we are making to help ensure we can be a modern and forward thinking employer, attractive to our staff and potential workers, for the foreseeable future.

¹For example. increased flexibility and work-life balance has been identified in management and workers' surveys as a key ambition for many modern workers and managers, both men and women.

17.0 Conclusion and next steps

This report gives a clear case for building a new Civic Centre in Brent. Members are therefore asked to agree the recommendations in paragraph 2 above.

To bring the project to the next stage the following steps have to be taken:

Procure through OJEU process consultant team for tender stage. This will include real estate (lead consultant), architectural services, space planning, legal and some further independent financial advice. Report to Executive	Dec 06 - Mar 07 April / May 07
Finalise accommodation brief by revisiting current assumptions; final consultation with service departments; members; staff forums; Brent PCT; Met Police; residents groups to ensure our multi-culturalism is reflected; Voluntary Sector. Deploy the Communications and Consultation Strategy. Report to Executive to agree user Brief and staff analysis and accommodation review	Dec 06 – Sep 07 Sept/Oct 07
Work with the Head of Regeneration in achieving the best possible community benefit in the new Civic Centre	Dec 06 – Sep 07
Seek final and binding commercial terms for the acquisition of land or turnkey solution by running an open competition between the two site owners	Sep 07 – Dec 07
Determine the best site option and procurement route based on the most appropriate balance of cost/value, design quality and risk allocation. Report to Executive.	Sep 06 – Dec 07
Produce draft contract documents to enable the Council to move to financial close on a “subject to planning” basis, once the final investment decision has been approved	Dec 07 – Mar 08
Plan the parallel project strands required to make the new Civic Centre a success including information technology and telephony requirements; workforce development and culture change	Dec 06 – Dec 07
Incorporate other initiatives e.g. Green Travel plan; remote working pilots; furniture standardisation	Dec 06 – Dec 07
Diversity Impact needs/requirement assessment	Sep 07
Appointment of second stage consultants	March 08
Planning stage. This will be introduced during this next phase of the project, however a planning application will not be submitted until after a final investment decision is made.	End 2008.
Construction completion	End 2011

18.0 Background Papers

- Report to Executive 7th April 2003 entitled “A New Civic Centre for Brent”.
- Report to Executive 9th February 2004 entitled “Consultants’ Study on possible Civic Centre Developments in Wembley”
- Report to Executive 13th December 2004 entitled “Civic Centre for Brent”

- Report to Executive 11th July 2005 entitled “A Civic Centre for Brent”
- Best Value Review of Property Services, Asset Management and Facilities Management - October 2003
- Images of current working conditions
- A Vision for Wembley – November 2002
- Witherford Watson Mann Architects – Brent Civic Centre: a position paper on its context, identity and location
- Witherford Watson Mann Architects – Strategic Brief and schedule of areas
- Civic Offices Project Analysis (2005) [Staff numbers]
- Notes from Neighbourhood Working / Civic Centre Member /Officer working session November 2005

Appendices:

- Appendix 1** Not for publication – Site Evaluations and procurement process
- Appendix 2** Not for publication – Financial Implications
- Appendix 3** Summary of all sites considered
- Appendix 4** Risk Matrix
- Appendix 5** Not for publication - Assumptions within the financial model

19. Contact Officers

Anna Woda, Civic Centre Project Director – tel: 020 8937 6409

Phil Newby, Director of Policy and Regeneration – tel: 020 8937 1032

Duncan McLeod, Director of Finance and Corporate Resources tel: 020 8937 1424

Gareth Daniel
Chief Executive