



Cabinet 23 November 2011

Haverhill Council Offices: Management Arrangements (Dec11/12)

1. Summary and Reasons for Recommendations

- 1.1 St Edmundsbury Borough and Suffolk County Councils have agreed to share the Borough Council's Haverhill Offices in a way similar to West Suffolk House in Bury St Edmunds. The building will be jointly owned by Suffolk County Council and St Edmundsbury Borough Council.
- 1.2 The integrated approach to the delivery of services by the County Council and Borough Council is extended at the Haverhill Council Offices to include shared occupation of the building with four voluntary organisations, designed to improve the quality of service for visitors, to enhance the work environment for all office based and peripatetic employees, to meet Government aspirations for localism and to make efficiency savings on property occupation costs.
- 1.3 The Cabinet is empowered under its Constitution to establish joint arrangements with one or more local authorities to exercise functions which are executive functions. Such arrangements may involve the appointment of joint committees with other local authorities. Accordingly, the West Suffolk House Joint Committee was established in 2007, to enable specific functions to be delegated to the joint committee and so as to be discharged by the joint committee on behalf of their authorities.
- 1.3 It is recognised that the most efficient way to undertake the management functions required for the Haverhill Council Offices is to extend the terms of reference of the West Suffolk House Joint Committee.

2. Recommendations

- 2.1 It is recommended that, subject to the approval of full Council,:
 - (1) the management of Haverhill Council Offices is included in the terms of reference of the West Suffolk House Joint Committee;
 - (2) the joint committee be renamed as the 'Shared Offices Joint Committee'; and
 - (3) the Terms of Reference of the West Suffolk House Joint Committee, as set out in Appendix 1 of Report **C228**, to form the basis of the Terms of Reference for the new Joint Committee.

3. Corporate Objectives

3.1 The recommendations meet the following, as contained within the Corporate Plan:-

- (a) Corporate Priority: *'Raising Corporate Standards and Efficiency'*.

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4. Key Issues

- 4.1 On the 16 February 2011 the Cabinet resolved (minute 120 refers) to implement the West Suffolk House model of shared ownership with Suffolk County Council of the Council Offices in Haverhill and that the occupiers will be public sector and voluntary organisations. This in effect means that the Borough and County Councils will jointly own Haverhill Council Offices in a manner similar to West Suffolk House.
- 4.2 The integrated approach to the delivery of services by the Borough and County Councils is extended to the Haverhill Council Offices, and will include shared occupation of the building with four voluntary organisations, designed to improve the quality of service for visitors, to enhance the work environment for all office based and peripatetic employees meeting customer needs for Haverhill, to meet Government aspirations for localism and to make efficiency savings on property occupation costs. In general terms, the Borough Council will manage the occupation by the voluntary sector.
- 4.3 Before officers currently working from Camps Road, Haverhill can move into the building, alteration works are required to increase the flexibility and capacity of the accommodation, particularly on the first floor. Other timely improvements are being made, including the replacement of the outmoded heating system. ICT links will be improved using a faster network system. The works contract has been commissioned under the County Council's Framework Agreement. The voluntary organisations will all be located on the ground floor, to facilitate customer contact. It is anticipated that the works will be completed in Spring 2012.
- 4.4 Following a recommendation from the Cabinet, on 26 June 2007 full Council resolved (minute 33(B)(2) refers) that the West Suffolk House Joint Committee be established, whose functions were to both manage and oversee the construction of West Suffolk House and to oversee ongoing occupational management arrangements. The establishment of a joint committee with specific functions delegated to it by the Cabinet would enable the joint committee to discharge those functions on behalf of the Borough Council.
- 4.5 Similar management matters will be necessary at the Haverhill Council Offices. It is recognised that the most efficient way to do this is to extend the Terms of Reference of the West Suffolk House Joint Committee. While some functions were specific to the procurement and construction phase of West Suffolk House, the majority deal with ongoing management and are therefore equally relevant to the Haverhill Council Offices.
- 4.6 Appendix 1 details the Terms of Reference for the West Suffolk House Joint Committee approved by full Council. Minor modifications only will be needed to adjust the functions to also make them relevant to managing both co-owned office buildings. The new Shared Offices Joint Committee will be asked to review the Terms of Reference as detailed in Appendix 1 at its first meeting.

5. Other Options considered

- 5.1 It is appropriate to delegate management functions to a joint committee. While an additional joint committee could be set up, this would be a less efficient way of proceeding because the Terms of Reference would be similar to those of the existing West Suffolk House Joint Committee.

<p>6. Community impact <i>(including Section 17 of the Crime and Disorder Act 1998 and diversity issues)</i></p> <p>6.1 <u>General</u></p> <p>6.1.1 The refurbished Haverhill Council Offices will provide a clear and obvious presence in the town and a focal point for Borough Council services, and a range of voluntary sector, interactions. Customers will be able to visit one place and access or request services from many closely related services. This physical integration of functions, for example between benefits, homelessness, social care and voluntary advice services, is of benefit to the customers.</p> <p>6.2 <u>Diversity and Equality Impact</u> <i>(including the findings of the Equality Impact Assessment)</i></p> <p>6.2.1 The Haverhill Offices will be modernised for public service delivery, which will be accessible to all sectors of the community.</p>
<p>7. Sustainability Impact <i>(including environmental or social impact on the local area or beyond the Borough)</i></p> <p>7.1 The improvement works incorporate higher sustainability standards wherever possible, for example, the installation of a more efficient heating system. Photovoltaic panels are also being installed in February 2012, which will reduce energy costs and carbon emissions.</p> <p>7.2 The Haverhill Offices will be occupied in accordance with modern methods of working to increase the efficiency of the space, such as hot desking and home working.</p>
<p>8. Consultation</p> <p>8.1 The Portfolio Holder for Asset Management has been consulted.</p> <p>8.2 Suffolk County Council is also obtaining approval to extend the functions of the West Suffolk House Joint Committee.</p>
<p>9. Resource implications <i>(including asset management implications)</i></p> <p>9.1 The decision to work with Suffolk County Council on a combined office development at Haverhill Council Offices was approved on 16 February 2011 (Paper B454 and minute 120 refers).</p> <p>9.2 From a Borough Council perspective the combined use of the satellite offices will produce operational savings that will contribute to the overall efficiency targets from 2012 onwards.</p> <p>9.3 There should not be a resource implication for Legal and Democratic Services in providing democratic services, including attendance at meetings, when the functions of the Joint Committee are extended.</p>

10. Risk Assessment *(potential hazards or opportunities affecting corporate, service or project objectives)*

Risk area	Inherent level of Risk (before controls)	Controls	Residual Risk (after controls)
	High/Medium/Low		High/Medium/Low
Joint Committee unable to reach an agreement.	H	Arrangements to be put in place for the referral of disputed matters to officers for further consideration and reconsideration by the joint Committee.	L
Conflict between the decision or recommendation of Joint Committee and host authorities.	M	The Councillor representation on the Joint Committee has the right to refer matters back to their host authority before a decision is taken by the Joint Committee.	L
Host authorities refuse to fund capital/revenue requests by Joint Committee.	H	Annual preparation of a business plan for capital and revenue expenditure together with the establishment of reserves for property maintenance should help to address this issue.	L
Slippage in timetable resulting in increased costs.	H	Robust project management and close monitoring of progress.	L
Delivery within projected capital and revenue costs /benefits.	M	Effective monitoring of programme costs and change control systems.	L
Disruption to services.	M	Effective communications.	M
Views of voluntary organisations might be missed.	M	Consult through users group of principles of occupation.	L

11. Legal or policy implications

11.1 Establishment of the new Joint Committee, appointment of Members and the delegation to the Joint Committee of functions as set out in Appendix 1 will enable those functions to be discharged by the Joint Committee on behalf of the Borough Council. This will ensure support for and delivery of the Haverhill Council Offices project.

Wards affected	All	Portfolio Holder	Asset Management
Background Papers	Paper Y84 Cabinet 20 June 2007, Full Council 27 June 2007 Paper B454 Cabinet 16 February 2011	Subject Area	Property Management

West Suffolk House Joint Committee: Terms of Reference and Administrative Arrangements

The following Terms of Reference and Administrative Arrangements were approved by full Council on 26 June 2007 (minute 33(B)(2) refers).

1. Terms of Reference

A. Constitution

A.1. *Agree a Joint Committee Constitution Agreement as a vehicle for the administration of the joint committee;*

B. Procurement and Construction

B.1 *Manage and oversee the procurement and construction of the PSV building;*

B.2 *Project manage and monitor the construction of the building (including risk management, value engineering and approval of significant contract variations);*

B.3 *Commission use of consultants;*

B.4 *Procure the joint facilities management and fitting out of the PSV building;*

C. Finance & Business Planning

C.1 *Prepare an annual business plan for approval by Suffolk County Council and St Edmundsbury Borough Council. Monitor compliance with the plan (including achievement of outline business case/final business case objectives and outcomes);*

C.2 *Review and approve finance protocols and joint funding arrangements;*

C.3 *Prepare for approval by Suffolk County Council and St Edmundsbury Borough Council an annual capital and revenue budget for the PSV building, including management of building maintenance and capital programme reserves;*

C.4 *Exercise budgetary monitoring and control;*

C.5 *Ensure the construction and engineering costs of the PSV programme are within the budgeted Capital Costs (Report X582 refers);*

D. Partnerships and Joint Working

D.1 *Review and advise Suffolk County Council and St Edmundsbury Borough Council on any proposal for partnership and joint working opportunities and arrangements in the building;*

- D.2 *Approve new tenant arrangements and sub-licences/leases;*
- D.3 *Advise Suffolk County Council and St Edmundsbury Borough Council on the implications for the occupation of the building arising from any future development plans/opportunities for the PSV site in general and the building in particular;*

E. Occupation and use of Building

- E.1 *Oversee the arrangement for commissioning and occupation of the PSV building;*
- E.2 *Annually review and approve the operating management agreement – including joint facilities management arrangements, joint ICT agreement, service delivery and accessibility issues;*
- E.3 *Review and approve annual maintenance and capital works programmes;*
- E.4 *Review and approve performance of trading activities and marketing opportunities;*
- E.5 *Review and approve performance management and review performance indicators;*
- E.6 *Review and approve sustainability and environmental performance;*

F. Personnel management

- F.1 *Review and approve personnel management policies and procedures for jointly employed PSV staff – including arrangements for contracted and agency staff;*
- F.2 *Review and approve staff facilities;*
- F.3 *Review and approve joint working arrangements/initiatives;*
- F.4 *Review and approve equality and accessibility;*

G. Communications

- G.1 *Review and approve communications strategy/plans – during construction, commissioning and operational phases.*

2. Structure of Joint Committee

- A.1 *Membership of the joint committee would comprise 4 members, 2 appointed by each authority. In addition, each authority would be able to appoint 2 substitutes who each may attend meetings of the joint committee in the absence of that authority's Committee members. Each authority through its committee members would have one vote at meetings of the joint committee or any sub-committee. Quorum for the committee would be three. The*

purpose of one vote per authority is to ensure that decision making is based on a consensus between the two authorities. It also assumes that there is a consensus within each authority. Where a decision can not be reached, the matter will be referred back to officers for further consideration before the matter is reconsidered by the joint committee.

- A.2 *Following occupation of the building, the committee would meet at least 4 times in every municipal year.*
- A.3 *The Chairman and Vice Chairman of the committee would alternate annually between the authorities with the Chairman elected from one authority and the Vice Chairman from the other authority.*
- A.4 *Democratic support to the committee would be provided by the Borough Council.*

3. Review of Terms of Reference

- 3.1 The next meeting of the West Suffolk House Joint Committee is scheduled for 18 November 2011. At this meeting it was going to review its Terms of Reference. However, due to this proposal to include the management arrangements for the Haverhill Council Offices and a lack of other business to transact this meeting has been cancelled.
- 3.2 It is proposed that the new Shared Offices Joint Committee meet on 20 January 2012, a date already scheduled for the West Suffolk House Joint Committee, and will be after the meeting of full Council on 13 December 2011. At this meeting, the new Joint Committee will be asked to review the Terms of Reference.