

# Public Document Pack



Coventry City Council

## Resources Directorate

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To all Members of the Finance and Corporate Services Scrutiny Board (1)  
and Business, Economy and Enterprise Scrutiny Board (3)

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2 October 2013

Dear Member

### **Supplementary Agenda – Meeting of the Finance and Corporate Services Scrutiny Board (1) - Monday, 7th October, 2013**

The papers for the above meeting were circulated on Thursday 26 September 2013. At the time of publication, the documentation in support of agenda item 4 was not available. These document has now been received and is attached to this letter. Please include it with your papers for the meeting.

- **Agenda Item 4. STRATEGIC PROPERTY REVIEW AND COUNCIL MOVE TO FRIARGATE (KICKSTART)** (Pages 3 - 26)

Presentation of the Executive Director, Place

If you have any queries, please do not hesitate to contact me.

Yours sincerely

Su Symonds  
**Governance Services Officer**

**Membership:** Councillors N Akhtar, D Chater, K Foster, R Lakha, C Miks, J Mutton, R Sandy (Chair), T Sawdon, H S Sehmi and T Skipper

**By invitation:** Councillors F Abbott, M Auluck, D Galliers, D Gannon, M Hammon, K Maton, H Sweet, K Taylor, S Walsh and D Welsh





# Scrutiny Board briefing A60 Strategic Review of Property & Kickstart

## Monday 7<sup>th</sup> October 2013

*Project Lead - Nigel Clews*

# Strategic Review of Property – purpose of today

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- To provide Members with background of the review and some baseline information regarding the property portfolio, including number of properties, budgets, property uses etc
- To think about these issues across the entirety of our services and assets, not just within portfolio responsibilities
- Broad overview of policy options for savings delivery
- Member input and steer into further detail of review
- Where can scrutiny add value

# Strategic Review of Property

## Context of the Review



- Council needs to find £136m of savings over the next three years (£28m in 2013/14 and rising in years beyond)
- CSR adds further pressure to MTFs
- ABC Programme aims to deliver £84m of savings over the next three years (£12m in 2013/14)
- Strategic Review of Property – Savings target is **£3m** pa by 2015/16
- Existing property budgetary pressure of **£0.5m**, now makes the target **£3.5m**



# A Few Examples of Our Operational Property



Stoke Library



Moat House Leisure Centre



Fullwood Close



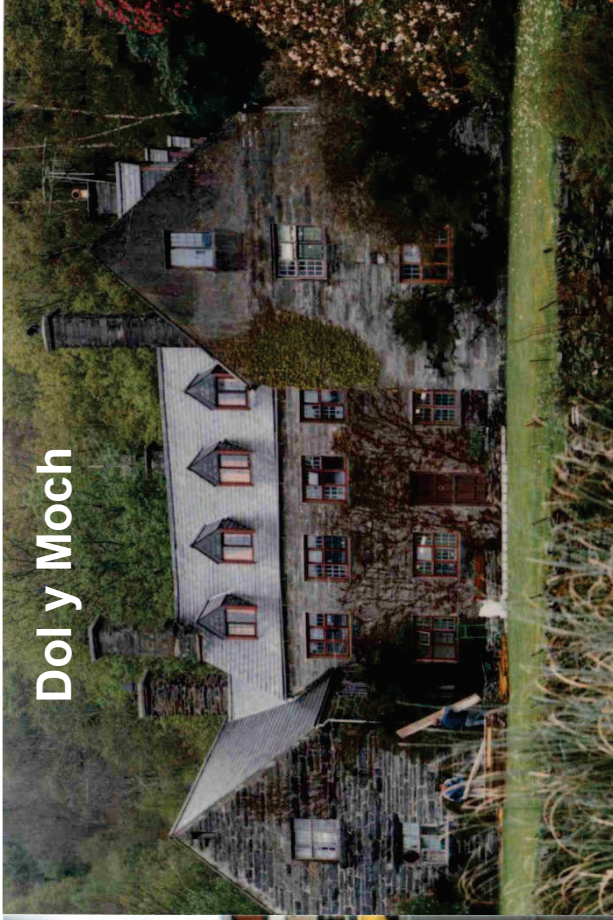
The Grange



# A Few Examples of Our Operational Property



Jubilee Crescent Community Centre and Library



Dol y Moch



Gilbert Richard Centre



Post and Fastprint

# Scope of the Review

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- **Service Delivery**
  - Assets that the Council runs services from
- **Income Producing**
  - City Centre – Shopping centre, retail and offices
  - Employment – Industrial estates and business parks
  - Suburban commercial – Land and buildings, farmland and retail parades
- **Exclusions**
  - Excludes Council office accommodation included in Project Kick-Start
  - Excludes schools, CHAT/Sports Trust/Transport Museum, Arena, Parks (some of these may provide solutions in the future)



# Where are we up to?

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- Baseline work completed
- A number of changes identified to deliver savings
- Long lead recognised for property changes
- Working with Members, services and existing abc projects
- Corporate Strategic Property Board implemented
- Project Kick-Start – strategy for office accommodation
- We need a similar strategy for the rest of the estate



# Achievability of Savings

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- (A) Disposals programme commercial property and land
- (B) Kick-Start (Friargate)

Both of the above require lead in time and (A) formal endorsement of a disposal programme

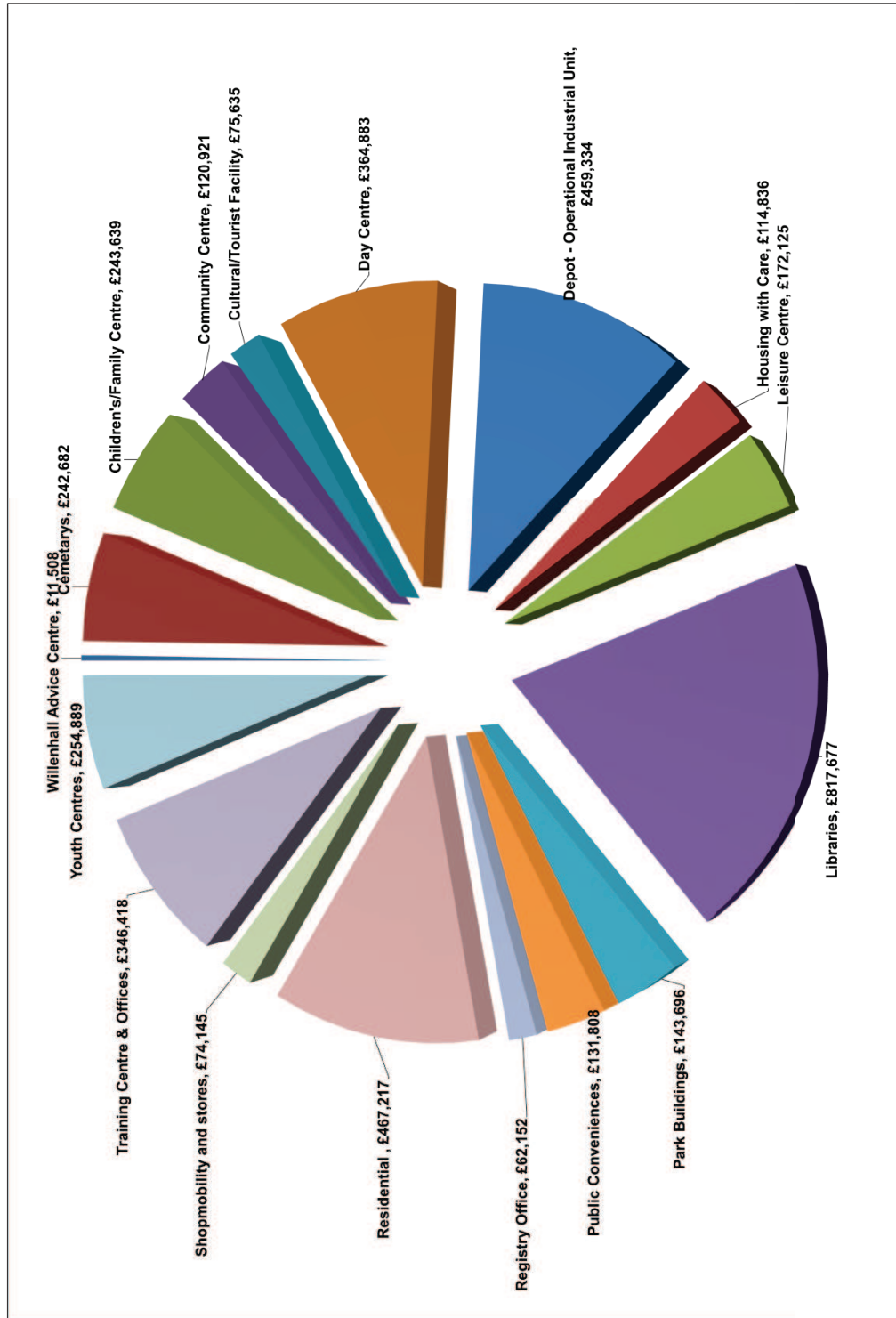
This leaves **remainder** to find from:

- Rationalisation of operational property (some of which relies on service change)
- Investment in income producing assets
- Medium term planning policy and housing growth

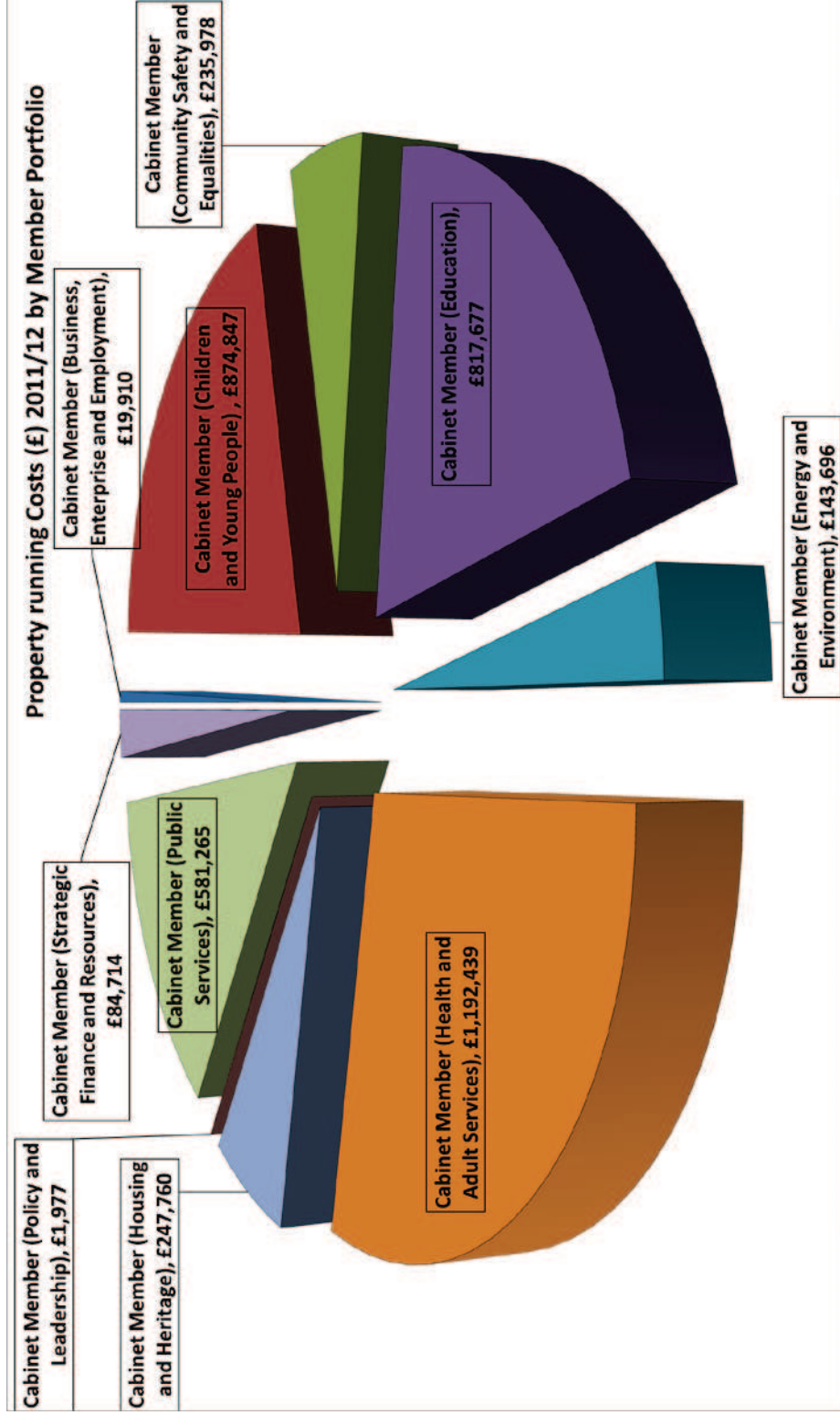


# Service Delivery - Property Running Costs

Annual property running cost is £4,103,565 for the operational estate

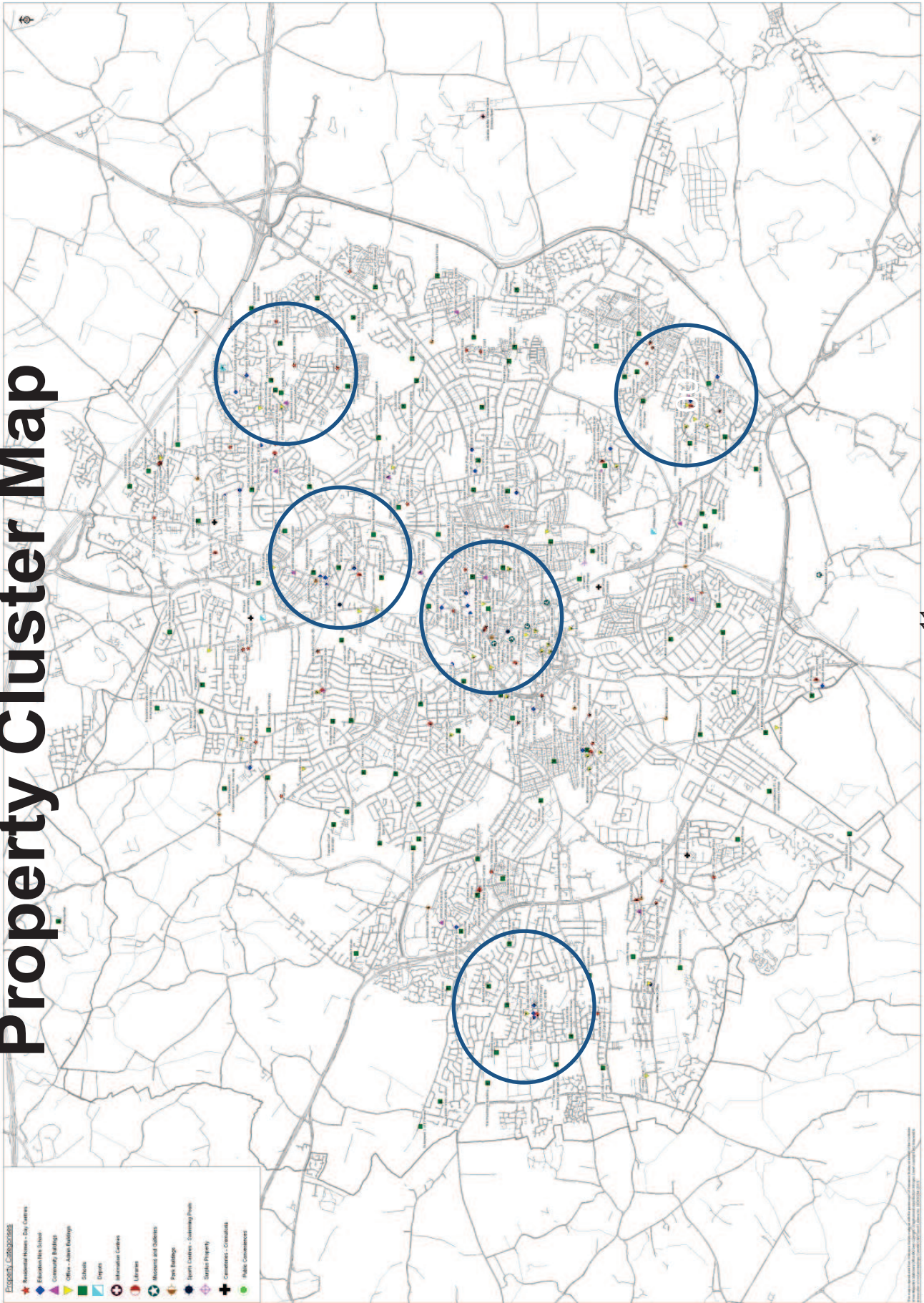


# Property Costs Against Cabinet Member Portfolio





# Property Cluster Map



# Community Facing Services



## Community Facing Activities

- Advice Centres (1)
- Children/Family Centres (11)
- Community Centres (10)
- Day Centres/Adult Education (9)
- Leisure Centres (2)
- Libraries (17)
- Park Buildings (10)
- Public Conveniences (9)
- Youth Centres (9)

## Total Property Costs

**£2,261,147**

## Total Staff Costs

**£8,314,454**

78 properties across 18 wards

Equates to 59% of the operational estate

55% of total property running costs

35% of total staff costs across the operational estate



# Recommendations so far from Property Review

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- Reduction in operational property (cluster review)
- Disposals of poor performing property
- Invest to save
- land



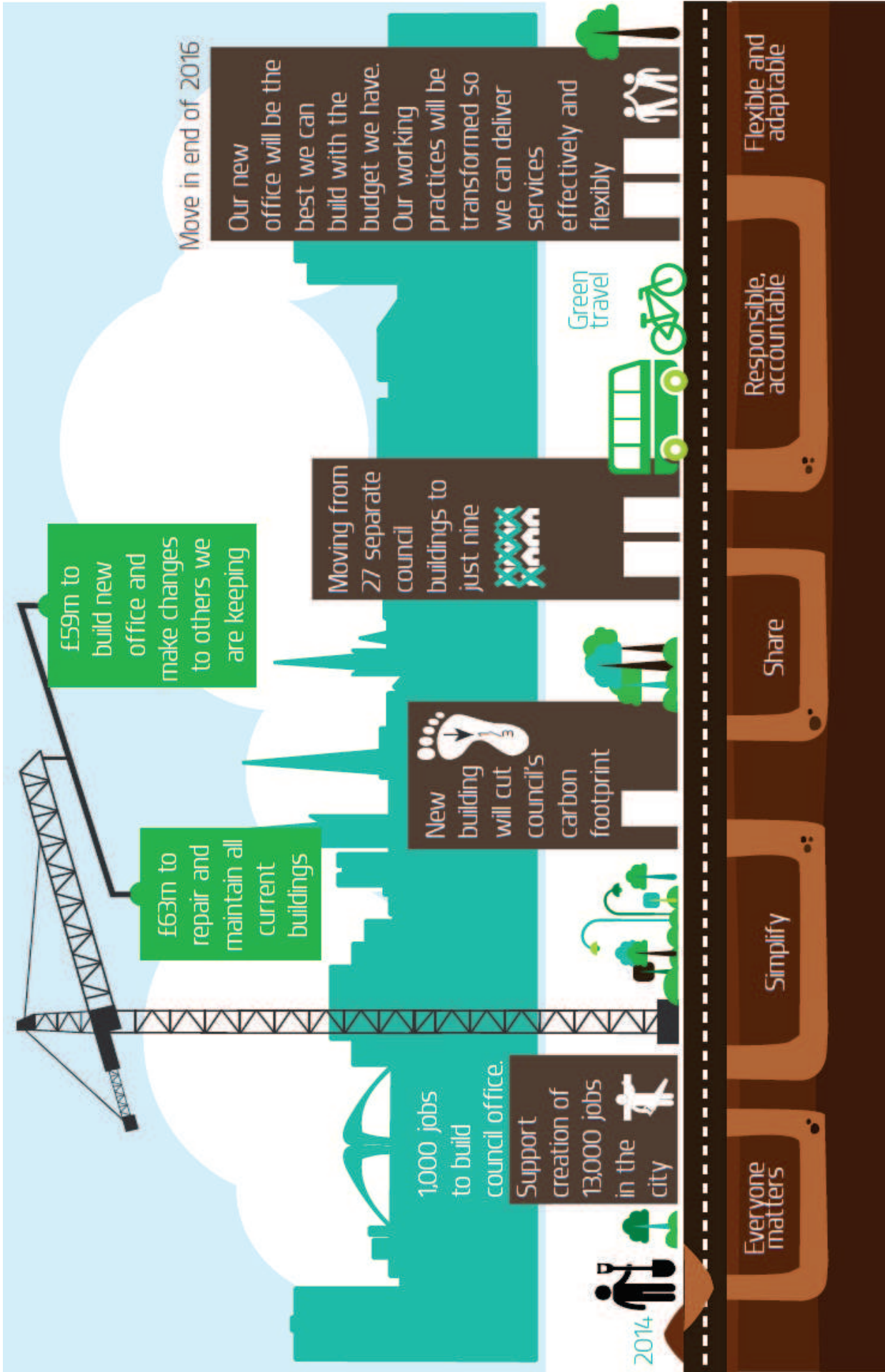
# Next Steps and Questions





# KICKSTART

## Regenerating the City, Transforming the Council, Making Savings....

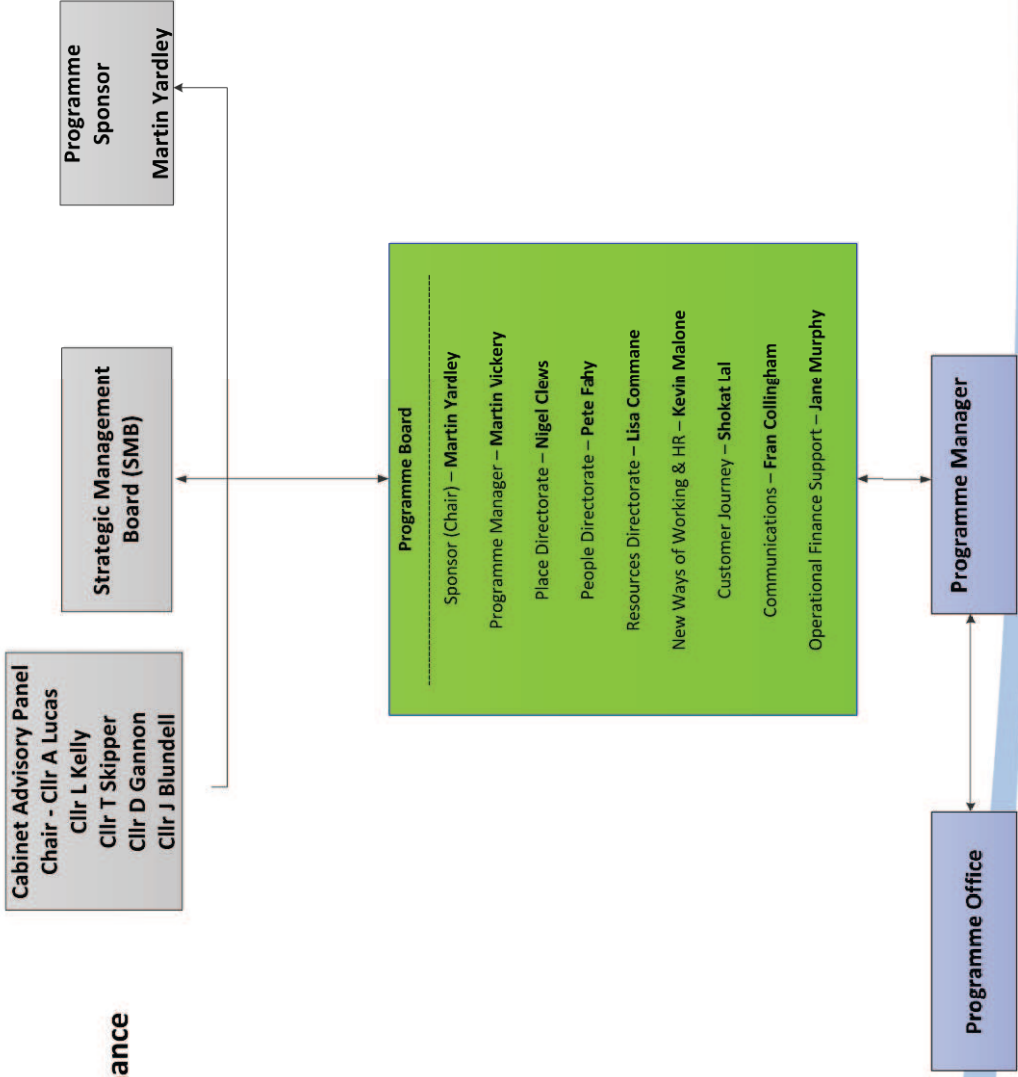


# KICKSTART

Everything we do through Project Kickstart is for Coventry, and at the heart of every decision we make about Kickstart will be local people and what's best for them.

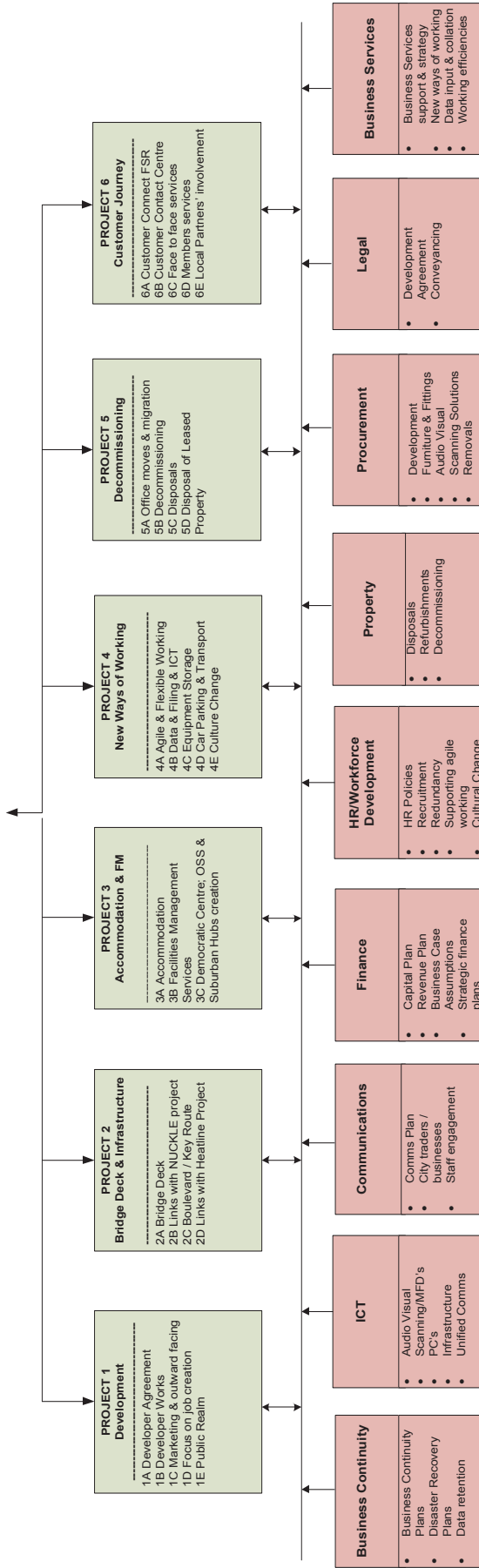
**Kick-Start  
Programme Governance**

**Strategic Levels**



Kick-Start Programme Governance

Operational Levels





# Building design

- Flagship building
- A square building – on a square plot
- Open & welcoming throughout
- Efficient floor space
- Active ground floor, i.e. café, sandwich bars etc.
- Standardised office layouts – no one is special!
- No cellular offices or person specific rooms – for anyone
- BREEAM Excellent...low impact building
- Deep plan building, i.e. not narrow & long
- Technology and flexibility at heart of design

# Risks & Mitigation

- Contract with Friargate LLP
- Letters of support & financial comfort
- Risk profile | allocation | financial commitment
- Structured internal governance & decision-making process
- Construction works underpinned with industry standard contracts
- Developer-led scheme to CCC specification & expectations
- Time / Cost / Quality risk handed to Developer
- Abortive costs if CCC pull out
- Payment of works in arrears – for works actually and properly completed on site
- Risk register | change control | collaborative working

# Programme / Next Steps

## Office Building

- Reserved Matters application (planning) – October 2013
- Appoint contractor – 2Q 2014
- Start on site – 3Q 2014
- Completion & staff migration – late 2016

## Bridge Deck

- Already appointed design & construction teams
- Start on site – February 1Q 2014
- Completion – June 2015

**Very  
intense &  
fast-paced!**

# New Ways of Working & Culture Change

## General concepts....

- Need to profile workforce for future working practices
- Flexible and output focussed
- New technology to enable us to work differently – and from various locations
- Much reduced reliance on paper
- Legal conformity for document retention & disposal, not “that’s what we’ve always done”
- Fundamentally address the Customer and service provision



# Where you can help

- Strategic support
- Support to Cabinet Members on agreed areas of policy development, through task and finish groups where appropriate
- Challenge on performance against policy priorities and targets
- Critical friend re. outputs and Kickstart principles
- Kickstart champions
- Promotion of full engagement – by officers & Elected Members

# Any questions

