

Project Documentation - Initial Project Proposal Document

Project: East Pallant House- Asset Options Appraisal

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1. Purpose of Document

The purpose of this document is to justify the undertaking of the project based on the estimated cost of delivery and the anticipated benefits to be gained. The proposal outlined in this document will be used as part of the process for prioritising future projects.

2. Project Description

This project will undertake a review and options appraisal (OA) of the Council's use and need for East Pallant House (EPH) as CDC's main HQ.

The key outputs for this project include:

- A review of occupancy levels against New Ways of Working (NWOW) targets
- Consideration of future use opportunities for all or part of EPH.
- Analysis of building data against recognised benchmarks
- An investigation of alternative locations for EPH functions.
- Consideration of the needs of staff, members, visitors and partners
- Consideration of the North extension where the lease expires in 2024.

In scope:

EPH including the private car parking areas and the North Wing extension. There is a separate review of CCTV underway and the outputs from this review will feed into this appraisal if appropriate.

Out of scope:

Careline¹, Contract Services or Novium premises.

3. Background

Direct running costs for EPH are currently £411,578² per annum and it provides a net internal floor area of 3,570m². The current desk to person ratio in EPH is 8.5 desks to 10 people. This OA will appraise the current spatial provision and future administrative accommodation needs of CDC. The shared services evaluation recently concluded found that CDC accommodation costs were more expensive. The OA will evaluate data to establish service need, as well as examine the options for relocating services, in addition to providing an appraisal for the future use of EPH taking account of the buildings listed status, quality and location potential.

¹ A separate review of Careline is currently underway

² The Council saved over £200k per annum (income and saved associated running costs) by letting the North Wing.

This OA will explore initiatives to save money without diminishing the quality of service provided. This project, if approved, will contribute to the Council's Deficit Reduction Plan and will be managed by the NWO Project group reporting to the Business Improvement Programme Board.

4. Outcomes to be Achieved

The OA will identify options that:

- Generate income from the sale or leasing of part or the whole of EPH.
- Provide a workable solution to subdivide or separate the space.
- More cost effective accommodation better suited to supporting a flexible work force with a reduced footprint.
- Resolve accessibility issues relating to the internal layout of the current location
- Be accessible to our customers, staff and Members.

5. Timescales

The OA will identify programme timescales and governance for each option.

6. Project Costs and Resources

Costs (£)		Source
One-Off	£10,000 external consultancy in relation to architectural, M&E, planning and commercial property market advice	Capital reserves
Revenue	TBC as part of the study	
Savings	TBC as part of the study	
Services to be involved in the project delivery	Internal staff resources be required from Building and Facilities, Estates management, Legal, Accountancy and Planning services. Subject to agreement on the scope of the project, supplementary external consultancy services required these will include Architectural, M&E possibly fire safety engineers/consultants and Planning Consultants.	

7. Benefits vs. Cost

Benefits and costs would be identified within the OA

8. Identify Risks

There are no risks associated with the initial OA. However, there might be risks associated with the resultant detailed proposals including: Planning restrictions related to change of use; the cost of the physical works could outweigh the benefits or not provide an acceptable ROI; rental values / sale prices may not be achieved; suitable offices for relocation may be unavailable or cost prohibitive and staff/member/public concerns might be raised relating to any proposed changes.