



To: Councillor Richard Robertson Executive Councillor  
for Finance and Resources

Report by: David Edwards, Strategic Director

Relevant scrutiny  
committee: Strategy & 20/3/2017,  
Resources  
Scrutiny  
Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge  
East Chesterton King's Hedges Market Newnham  
Petersfield Queen Edith's Romsey Trumpington  
West Chesterton

**OFFICE ACCOMMODATION STRATEGY PROJECTS AT 130 COWLEY  
ROAD, COWLEY ROAD COMPOUND AND MANDELA HOUSE  
Key Decision**

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**1. Executive summary**

This report seeks approval for three refurbishment projects related to the Council's Office Accommodation Strategy.

The Council's Office Accommodation Strategy report recommendations were approved on 18<sup>th</sup> January 2016.

The Executive Councillor approved the short to medium term aim of the Office Accommodation Strategy (phase II) to consolidate administrative office accommodation at The Guildhall, Mandela House and 171 Arbury Road. This strategy also included the disposal of Mill Road Depot and the relocation of depot-based services to sites in Cowley Road.

An "out of cycle" decision made by the Executive Councillor on 10<sup>th</sup> November 2016 gave approval for the allocation of £2,443,000 capital funds for refurbishment works (including furniture) at Mandela House, 130 Cowley Road and the former Park and Ride site on Cowley Road, but did not give specific approval for award of contracts to carry out works. The budget for minor works on the 4th floor of the Guildhall (£57,000) was also approved.

## **2. Recommendations**

The Executive Councillor is recommended:

2.1 To approve the proposed refurbishment works to create new office accommodation at 130 Cowley Road, Cowley Road Compound and Mandela House subject to the tendered prices for work being acceptable.

2.2 To authorise the Strategic Director to award contracts for the appointment of contractors to carry out refurbishment works at 130 Cowley Road, Cowley Road Compound and Mandela House in accordance with the requirements of the Constitution.

## **3. Background**

3.1 The refurbishments at Mandela House and 130 Cowley Road and set up of the Cowley Road Compound (on the former Park and Ride site) facilitate the release of Mill Road Depot (for redevelopment) and Hobson House (to create a capital receipt). The Mandela House, Hobson House and Guildhall projects form part of the overall office accommodation strategy which seeks to rationalise the space used for administrative office purposes within the city centre.

3.2 Design schemes and cost models for the refurbishment of Mandela House and 130 Cowley Road together with the set-up of the Cowley Road Compound have been developed. Minor works on the 4<sup>th</sup> floor of the Guildhall are currently underway. The estimated cost of the combined schemes is around £2,500,000. The refurbishment works at Mandela House also include some planned maintenance works that are sensible to carry out at the same time.

3.3 The Office Accommodation Strategy refurbishment projects have progressed through the Council's project appraisal process and Capital Programme Board underwent an officer-led gateway review process in October 2016 in advance of seeking approval for funding.

3.4 A summary of the work to be carried out is set out below

### **Mandela House**

The refurbishment involves internal alterations and structural works to create open plan working areas and meeting room facilities, new and refurbished welfare facilities across three floors, redecoration, new floor

coverings, new electrical services, LED lighting, new data services, new mechanical services (heating, cooling and ventilation).

Building Services (heating, ventilation, cooling, electrical services, lighting and data services) shall meet the requirements of increased building occupancy.

### **130 Cowley Road**

The refurbishment involves converting an industrial warehouse into office space and a stores facility. Work includes relocating internal stairs, creating new welfare facilities, new internal walls / meeting rooms, installation of new windows, installation of a lift, new heating and ventilation, new electrical services, new lighting and data services, structural and drainage works.

### **Cowley Road Compound**

This project will create a new compound for carrying out the operational functions of Estates and Facilities and Street and Open Spaces following the vacation of Mill Road Depot.

Work comprises the creation of a temporary waste transfer station, external storage compound for building materials, store facility for Streets and Open Spaces, welfare facilities, vehicle charge points, staff parking for both the Compound site and 130 Cowley Road, fuel station for CCC operational vehicles, vehicle wash down facility, temporary office accommodation, cycle parking.

## **4. Implications**

### **(a) Financial Implications**

Funding of £2,443,000 for the refurbishment projects, including refurbishing, is already approved and the projects are on the Council's capital plan. Earmarked reserves were established to undertake these works along with funding from a combination of Office Accommodation Strategy earmarked revenue and capital reserves, Climate Change Funds and planned maintenance funding.

Market testing is underway and tenders are due to be received by 15<sup>th</sup> March 2017 (130 Cowley road and Cowley Road Compound) and 20<sup>th</sup> March 2017 (Mandela House). Furniture will be tendered separately.

If tender prices exceed estimated project budgets by more than 5% then officers will evaluate and present options regarding how to proceed. In view of timescales, if further approvals are required from the Executive Councillor then officers may submit a further paper as an "urgency action."

(b) **Staffing Implications**

These projects are part of the office accommodation strategy. The design of office accommodation will help facilitate mobile working and new ways of working for Council staff. Desks will be provided at ratio of seven desks for ten staff. Staff moved from the 1<sup>st</sup> and 2<sup>nd</sup> Floor of Mandela House in August 2016 and will move back in when refurbishment work is completed.

Staff based at Hobson House will transfer to Mandela House when refurbishment work is complete

Staff on ground the ground floor of Mandela House may be required to make some adjustments to working practices while the building work is taking place.

Staff based at Mill Road Depot will move to 130 Cowley Road and Cowley Road Compound when work is complete.

(c) **Equality and Poverty Implications**

None

(d) **Environmental Implications**

The approval of the budget for refurbishment work at 130 Cowley Road was given subject to the completion of a cost / benefit analysis of installing additional insulation and a gas heating system. This cost benefit analysis has been carried out and the payback times for each measure show that it is not cost effective for the Council to invest in these measures in a building that the Council is occupying under a 15 year lease.

Environmental impact assessments have been carried out as part of the Council's capital programme board approval process.

(e) **Procurement**

The refurbishment projects are being competitively tendered via the Council's "Procontract" online procurement system. All three projects are subject to open tender and will be evaluated on the basis of price and quality.

(f) **Consultation and communication**

**Mandela House**

Heads of services and managers have been consulted about the design proposals and proposed desk layouts. There is a stakeholder

group that has been involved in the design process.

### **130 Cowley Road**

There have been staff open days to view the proposed office accommodation and opportunity to comment on the proposed plans. A planning application is required for some elements of the proposed works.

### **Cowley Road Compound**

Internal stakeholders have been consulted regarding the project brief and scope of the works. Further consultation will be required regarding operation issues. A planning application has been submitted for this project.

### **(g) Community Safety**

Security lighting, CCTV and intruder alarms will be included in the works at 130 Cowley Road and Cowley Road Compound.

An assessment of the walking route between 130 Cowley Road and Cowley Road Compound is underway.

## **5. Background papers**

These background papers were used in the preparation of this report:

Office Accommodation Strategy – report to Strategy and Resources Scrutiny Committee, 18/1/16

## **6. Appendices**

None

## **7. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

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