

BATH & NORTH EAST SOMERSET COUNCIL

Overall Comparison Sheet - MEDIUM TERM

Capital Costs		NO CHANGE 2010-11 onwards	Exiting Trimbridge House and Plymouth House and refurbishing Lewis House						
			2010-11	2010-11	2011-12	2012-13	2013-14	2014-15	
Refurbishment of Existing Buildings									
	Lewis House	-	-	1,679,681	-	-	-	-	-
	The Hollies	-	-	-	-	-	-	-	-
	Keynsham Town Hall	-	-	-	-	-	-	-	-
Refurbishment of Existing Buildings		-	-	1,679,681	-	-	-	-	-
Fit Out of New/Refurbished Buildings		-	-	538,800	31,200	-	-	-	-
ICT									
	Decommissioning	-	-	43,126	60,128	-	-	-	-
	Refurbishments and New build	-	-	197,488	-	-	-	-	-
	Enhancements	-	-	-	-	-	-	-	-
ICT		-	-	240,614	60,128	-	-	-	-
Dilapidation & Decant		-	-	513,200	239,150	-	-	-	-
Project and Programme Management		-	13,000	24,000	24,000	-	-	-	-
Backlog of Capital Work to Existing		-	-	-	-	-	-	-	-
Total Capital Costs		-	13,000	2,996,296	354,478	-	-	-	-

BATH & NORTH EAST SOMERSET COUNCIL

Overall Comparison Sheet - MEDIUM TERM

Revenue Costs	NO CHANGE 2010-11 onwards	Exiting Trimbridge House and Plymouth House and refurbishing Lewis House					
		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Rates	1,002,511	1,002,511	964,621	807,946	728,406	728,406	728,406
Rent	1,316,520	1,316,520	1,379,888	1,132,765	864,965	864,965	864,965
Service Charges	438,193	438,193	438,193	436,193	426,511	426,511	426,511
Utilities	328,155	328,155	318,392	281,679	231,312	231,312	231,312
Cleaning	395,724	395,724	388,450	351,993	327,832	327,832	327,832
Insurance	86,239	86,239	86,239	82,119	82,119	82,119	82,119
Other costs	21,047	21,047	21,047	19,914	19,914	17,437	17,437
Additional ICT/Records Management	-	-	8,322	16,678	3,322	3,322	3,322
Rent Received	- 67,134	- 67,134	- 67,134	- 155,142	- 155,142	- 155,142	- 155,142
Running Costs	3,521,256	3,521,256	3,538,018	2,940,789	2,529,239	2,526,762	2,526,762
Reactive Maintenance	361,107	361,107	354,868	325,589	325,589	297,849	297,849
Service Contracts Maintenance	102,249	102,249	100,308	91,544	81,879	81,879	81,879
Planned Maintenance	99,993	99,993	98,520	94,030	93,956	93,956	93,956
Revenue Maintenance	563,348	563,348	553,696	511,162	501,424	473,684	473,684
Repay Reserves (Pilot Scheme)	-	-	-	142,000	142,000	140,000	-
Total Revenue Costs	4,084,605	4,084,605	4,091,713	3,593,952	3,172,663	3,140,446	3,000,446
Savings/Deficit prior to Debt charges		0	(7,109)	490,653	911,941	944,158	1,084,158
Debt charges on Capital borrowing	-	325	75,557	159,327	303,979	303,979	303,979
Total Revenue Costs for each Model	4,084,605	4,084,930	4,167,271	3,753,278	3,476,642	3,444,425	3,304,425
Savings/(Deficit) per year after Debt Charges		(325)	(82,666)	331,326	607,963	640,179	780,179
Percentage Savings Against No Change							18.72%
Savings from 2022-23 per annum							903,427
Savings from 2032-33 per annum							1,084,158

BATH & NORTH EAST SOMERSET COUNCIL

Overall Comparison Sheet Annualised at 2014-15 - LONG TERM

		NO CHANGE	KEYNSHAM NEW BUILD	KEYNSHAM NEW BUILD/NGH	RIVERSIDE REFURB	BATH QUAYS
		Option A	Option B	Option C	Option D	Option E
Capital Costs						
Refurbishment of Existing Buildings						
	Lewis House	-	1,679,681	1,679,681	1,679,681	1,679,681
	The Hollies	-	1,685,912	1,685,912	1,685,912	1,685,912
	Keynsham Town Hall	-	-	-	-	1,685,912
Refurbishment of Existing Buildings		-	3,365,594	3,365,594	3,365,594	5,051,506
Fit Out of New/Refurbished Buildings		-	3,035,000	3,070,000	2,906,600	3,358,000
ICT						
	Decommissioning	-	462,823	425,585	427,764	528,479
	Refurbishments and New build	-	1,701,378	1,701,378	1,684,378	1,701,378
	Enhancements	-	440,240	440,240	440,240	440,240
ICT		-	2,604,441	2,567,203	2,552,382	2,670,097
Dilapidation & Decant		-	1,410,200	1,279,700	888,450	977,200
Project and Programme Management		-	2,097,151	2,097,151	1,602,151	1,314,120
Backlog of Capital Work to Existing		2,151,500				
Total Capital Costs		2,151,500	12,512,386	12,379,648	11,315,177	13,370,923
Items outside of original scope						
	Library Fit Out	-	109,000	109,000	109,000	109,000
	Data Centre (separate Business Case)	-	626,456	626,456	626,456	626,456
	Command & Control (separate Business Case)	-	1,350,000	1,350,000	1,350,000	1,350,000
Total Capital Cost excluding Library			10,426,929	10,294,191	9,229,720	11,285,467

		NO CHANGE	KEYNSHAM NEW BUILD	KEYNSHAM NEW BUILD/NGH	RIVERSIDE REFURB	BATH QUAYS
		Option A	Option B	Option C	Option D	Option E
Revenue Costs						
Rates		1,002,511	648,754	649,824	512,737	692,720
Rent		1,316,520	2,287,613	2,105,435	2,445,599	2,640,111
Service Charges		438,193	15,386	29,961	29,961	15,386
Utilities		328,155	259,216	241,537	321,617	288,136
Cleaning		395,724	286,408	274,695	288,795	305,419
Insurance		86,239	30,943	31,137	44,109	37,511
Other costs		21,047	2,769	3,765	3,765	2,984
Additional ICT/Records Management		-	55,827	55,827	55,827	55,827
Rent Received		67,134	745,608	745,608	465,134	432,408
Running Costs		3,521,256	2,841,308	2,646,574	3,237,276	3,605,685
Reactive Maintenance		361,107	52,640	89,478	89,478	54,139
Service Contracts Maintenance		102,249	17,017	24,304	24,304	27,594
Planned Maintenance		99,993	303,276	251,320	271,060	350,733
Revenue Maintenance		563,348	372,933	365,101	384,841	432,467
Total Revenue Costs		4,084,605	3,214,241	3,011,675	3,622,118	4,038,152

Savings/Deficit prior to Debt charges			870,363	1,072,929	462,487	46,453
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Debt charges on Capital borrowing		164,052	1,149,385	1,142,617	1,052,787	1,231,408
Total Revenue Costs for each Model		4,248,656	4,363,626	4,154,292	4,674,904	5,269,560

Potential Revenue Saving against Model A			- 114,970	94,364	- 426,248	- 1,020,903
Items outside of original scope						
	Revenue Contribution Keynsham Library	-	26,196	26,196	26,196	26,196
	Historic Records (funded by Guildhall Business Case)	-	133,970	133,970	133,970	133,970
	Data Centre (separate Business Case)	-	47,767	47,767	47,767	47,767
	Command & Control (separate Business Case)	-	102,938	102,938	102,938	102,938
Total Potential Savings			195,901	405,235	(115,377)	(710,033)

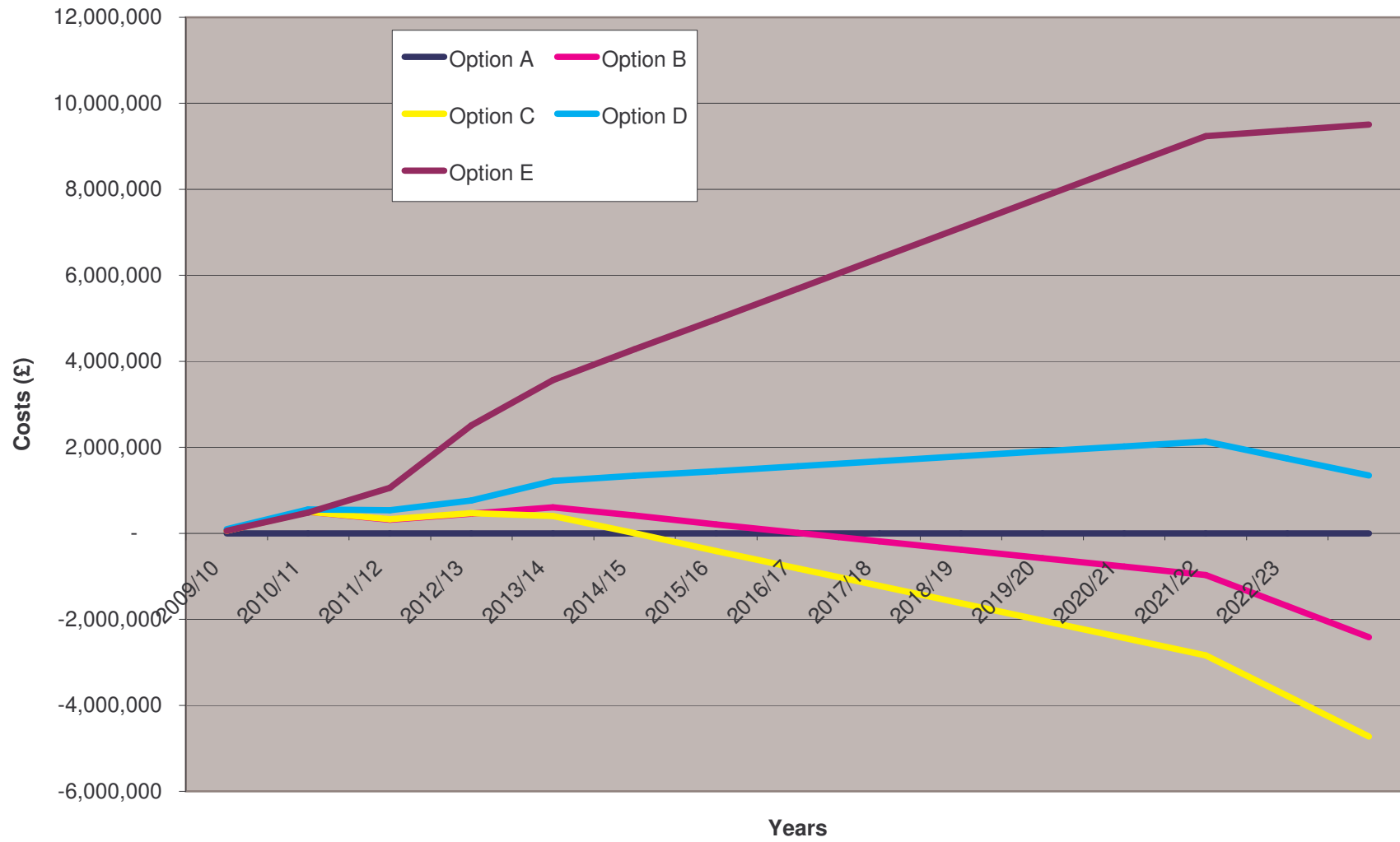
Percentage Savings Against Model A			5%	10%	-3%	-17%
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Ongoing savings from 2022-23 per annum			730,999	946,146	402,273	(129,479)
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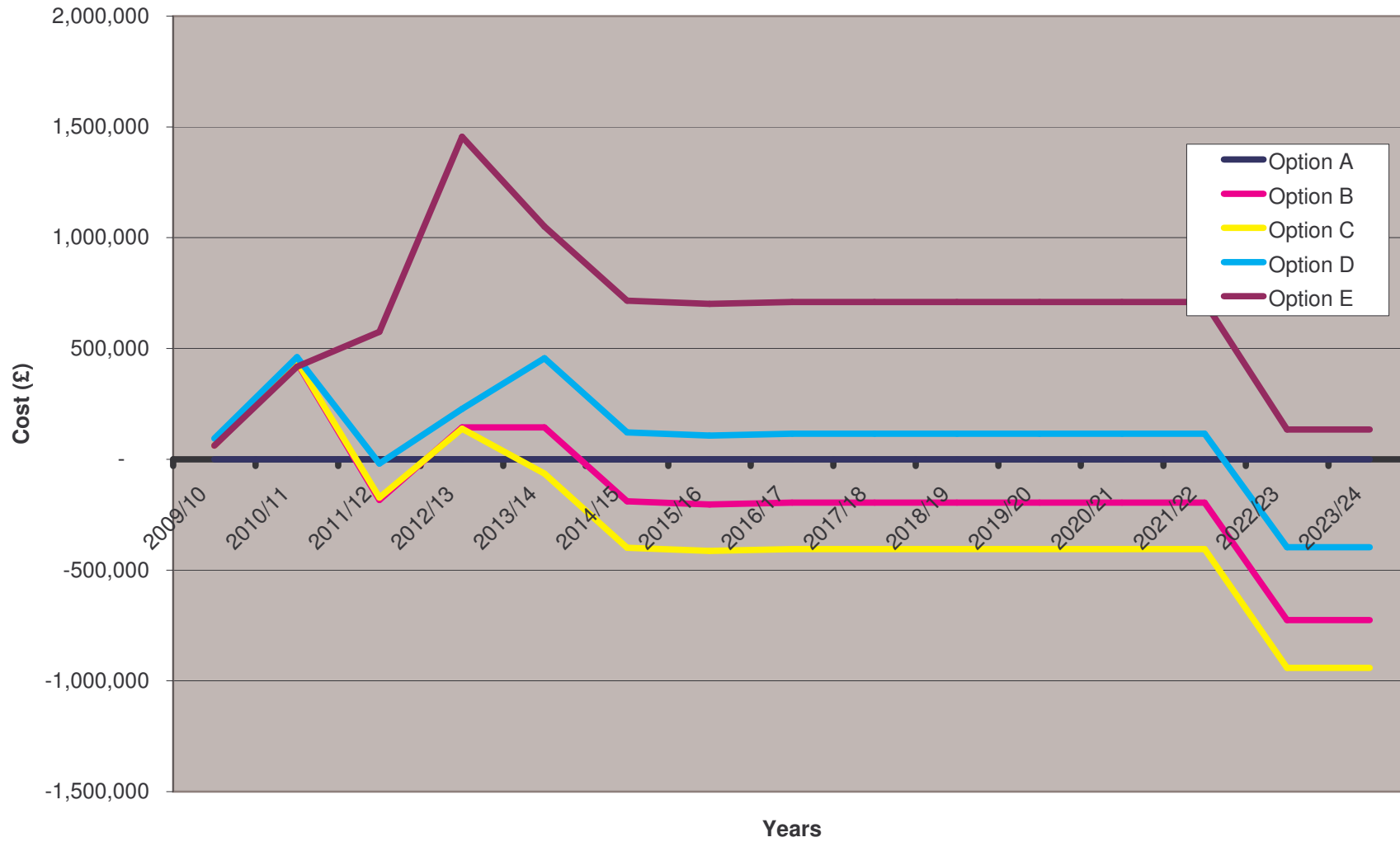
Ongoing savings from 2032-33 per annum			1,345,286	1,547,852	937,410	521,375
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Long term savings potential			32%	36%	22%	12%
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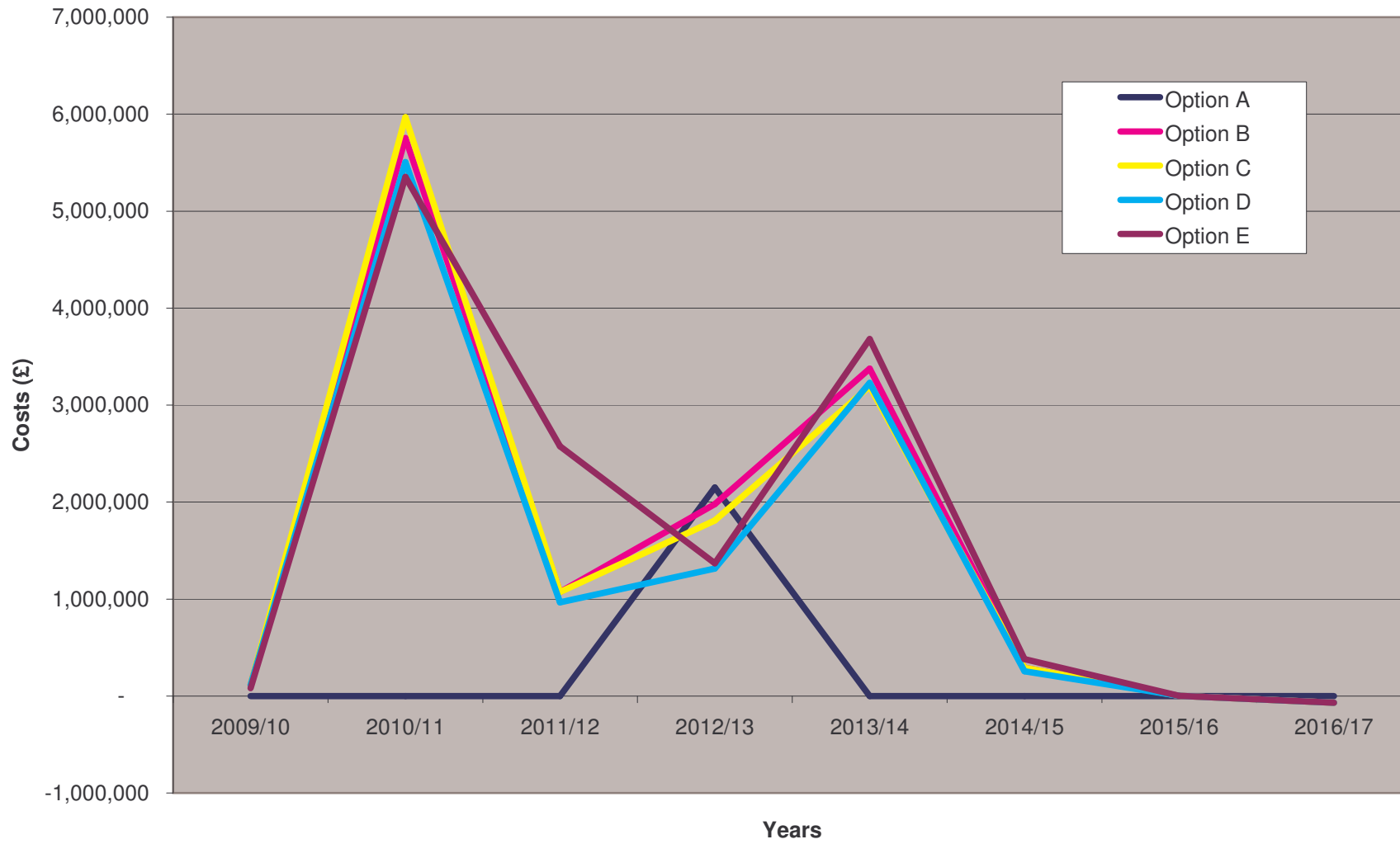
Comparative Revenue Yearly Expenditure Cumulative



Yearly Revenue Comparative



Capital Cashflow Costs



Financial Assumptions - Workplaces and Office Rationalisation

The attached financial information is split in to 2 sections relating to the following options:

Medium Term Plan

1. Status quo
2. Exiting 3 Bath offices and the refurbishment of Lewis House.

Long Term options

- A. Status quo
- B. New Keynsham offices with Lewis House and the Hollies retained
- C. New Keynsham offices with Lewis House, the Hollies and Northgate House retained
- D. Refurbished Riverside offices with Lewis House and the Hollies retained
- E. New Bath offices with the Hollies retained

Space Standard assumptions made:

- In the status quo option, all properties will remain at their current spatial standard.
- Where Northgate House is retained (options C and D) a provision has been made to implement flexible working.
- Future accommodation needs are assumed to be approximately 1,360 workstations spread between the three main settlements.
- The spatial standard for any new a build is 12m² net internal area per workstation. This includes all meeting rooms, break out areas and staff facilities.
- Where retained both The Hollies and Lewis House will be refurbished to a BREEAM Very Good standard and fitted out to the optimum available within the individual property.
- The Guildhall will only retain the political centre. The cost of which would be offset against any income from the Guildhall development (subject to separate business case).

Property assumptions made:

- Existing Leases.
 - Northgate House
The lease on Northgate House is due to expire at the end of March 2016. It is assumed that this will be assigned to another leasee from 1st April 2013 therefore all costs relating to this

property will cease at that date. If this does not happen then the cost of the project will increase by £1m. Northgate House is retained in Options C and D.

- Plymouth House
The lease on Plymouth House expires in October 2011 and the Council will vacate.
 - Trimbridge House
The lease on Trimbridge House expires November 2010 and the Council will vacate.
 - Riverside
We are currently 'holding over' our lease which expired at the end of October 2006. It is assumed that this situation will be allowed to continue until we vacate or in the case of Option D the site is refurbished and a new lease taken.
- **New build**
Any new build will also accommodate a Data Centre to meet new technological requirements. This has been scoped and is estimated to need 162m². All costs relating to additional building requirements (i.e. air conditioning) have been included in the cost model.

A new build in Keynsham would also include a library, One Stop Shop facilities and accommodation for partner organisations. The running costs of the library will be borne by the service. A new build in Bath would only include limited office accommodation for partner organisations as the site would not be ideal for a One Stop Shop.

No assumptions have been made in respect of facilities management. Changes in accommodation and ways of working will impact on the provision of facilities management and are subject to a separate business case.
- **One Stop Shops**
 - Bath
All options provide for a new One Stop Shop facility on the ground floor of Lewis House
 - Keynsham
In Options B and C the new build will contain a One Stop Shop. In Option D the One Stop Shop would be provided within the refurbished Riverside building. In Option E (Bath new build) the One Stop Shop in Keynsham will be provided in Keynsham Town Hall, recognising that this may need to move if a redevelopment of that site took place at some point in the future.
 - Midsomer Norton
The One Stop Shop will remain within the Hollies.
- **Riverside Pilot Project**
The cost of repaying capital contingency costs of £424k has been included. This is repaid over the period 2011-2014.

- Off site storage requirement
The preferred future option for file storage is at an off site location. The current solution is the use of the underground store at Radstock Road. In each of the long term solutions this will become a manned facility. A further provision has been made to also provide off site storage facilities for Historic records. As this is currently within the Guildhall, any business case for the development of the Guildhall should release sufficient funding to reprovide Historic Records storage.
- PCT Integration
In all options (medium and long term) integration between the PCT and the Local Authority is assumed to take place. The cost of providing IT, furniture and equipment for Council staff working within PCT accommodation has been built in. Each partner is assumed to 'lease' space in the other's accommodation at a fair value with reciprocal arrangements. The long term net effect is that the Local Authority will have more staff within PCT accommodation than the PCT in Local Authority premises. Lease costs have not been finalised at this point.

Financial assumptions made:

Capital costs

- Refurbishments
Where we are retaining our own accommodation (Lewis House and/or the Hollies) these will be refurbished to BREEAM Very Good level. It would be uneconomical to try to achieve an Excellent rating in a refurbishment. Option E (new Bath build) allows for the refurbishment of Keynsham Town Hall as this will be needed to maintain a One Stop Shop presence in Keynsham and also provide office accommodation to a similar standard as would be provided in Bath and Midsomer Norton.
- Fit Out
The cost model includes providing all furniture and equipment to new and refurbished accommodation, provision of furniture and equipment for Local Authority staff using PCT accommodation. The cost of fitting out off site storage facility has also been included. The provision of a Command and Control Centre has been included in the capital cost model. This is subject to its own business case and the savings released should be sufficient to fund the borrowing costs on this capital element.
- ICT
IT costs associated with the new data centre are included. The funding for this is subject to a separate business case (currently outside of this project). The cost of decommissioning all current IT in buildings that are to be exited has been built in. The cost of the development of the ICT vision has also been included in the long term cost model including the provision of 12 Landing Sites across the Authority..
- Dilapidations and Decant
An estimate for the dilapidation costs on Trimbridge House and Plymouth House have been included in the medium and long term cost

models. The cost of moving files and other office items has been costed into the model.

- **Project and Programme Management**
The costs for delivering the Workplaces programme including the regeneration of Keynsham project have been included in each option.
- **Backlog Maintenance**
An assessment of our current office accommodation shows that we have in the region of £2m outstanding maintenance issues. If the Authority chose to remain with its current office portfolio it would have to address these issues therefore these costs have been built into the cost model. In Options B to E these issues would either be addressed through the refurbishment programme or these buildings would be vacated.

Revenue costs

- **Running Costs**
The costs of rent, rates, utilities and other premises related costs are included. All on going repairs and maintenance costs have been built in to the model. It is assumed that the Authority will pay £21 ft² for any new build provision.
- **Additional ICT and Records Management**
The revenue costs of the enhancements to the Authority's IT have been included. These are mainly offset by the reduction in our PC requirements through the adoption of new ways of working. The long term aspiration of providing a staffed off site storage facility has also been included.
- **Rent received**
It is assumed that all partner organisations using our premises will pay a fair market rent. Also, the cost model includes rental income from our properties that are vacated (Bath Street, Abbey Chambers and Palace Yard Mews).
- **Debt Charges**
The cost of borrowing on all capital expenditure related to this programme has been included in the cost model. Financing is based on repayment over a 10 or 20 year basis, depending on the life of the asset (in accordance with the Authority's service supported borrowing scheme..

Financial Data

Running Costs Average Existing and new Build

Description	Cost	Unit
Existing Premises		
Rent	12.50	per square foot
Utilities	1.55	per square foot
Other	7.49	per square foot
Maintenance	2.08	per square foot
New Premiese		
Rent	21.00	per square foot
Utilities	1.43	per square foot
Other	6.54	per square foot
Maintenance	1.95	per square foot

Other financial data

Description	Cost	Unit
Lewis House refurb	1,679,681	Per schedule
The Hollies refurb	1,685,912	Per schedule
Office Fit Out	1,200	Per workstation
IT		Per Schedule
PCT Accommodation	2,230	Per workstation
Staff moves	250	Per person
Additional income from properties returned to the commercial estate	428,008	Per annum