

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

2958

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Department:

Development and Growth

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Subject:

Loxley House Great Workplace - Phase 1 Works

Total Value:

£575,529 (£555,529 Capital and £20,000 Revenue) (Type: Capital and Revenue)

Decision Being Taken:

1. Further to decision 2826, to approve a further £555,529 capital expenditure (detailed in points 4 and 5 below) to deliver the Loxley House project, taking the total approved spend on the project that includes design and delivery to £677,000, and amend the capital programme to reflect this.
2. Approve revenue expenditure of £10,000 to appoint a temporary Change Manager.
3. Approve revenue expenditure of £10,000 to fund removal costs for staff relocating from other buildings to Loxley House.
4. Approve the use of £250,000 of ring-fenced resources from the capital receipt identified in the exempt appendices to fund the project, with the acknowledgement of the risk and potential alternative funding identified in the exempt finance comments.
5. Approve the unfunded balance of £305,529 to be resourced through Prudential Borrowing, dependent upon the resources in point 4 above, acknowledging that if the ring-fenced funding is not received then borrowing will be higher.
6. Approve the appointment of the contractor GF Tomlinson from the East Midlands Property Alliance (EMPA) Framework and the Council's Design Services Team to support the delivery of the project, and delegate authority to the Director of Strategic Assets and Property to enter into contracts with them for the construction works.
7. Delegate authority to the Director of Strategic Assets and Property to agree and enter into any required contracts for the supply of furniture and fittings, having followed the most appropriate procurement route in accordance with the Council's Constitution, subject to the project being in budget.
8. Agree to the amendment of any licences relating to the move (for example CCTV monitoring) being reviewed and recommendations being acted upon.

**Reasons for the Decision(s)**

In order to move towards the transformation of Loxley House into a Public Sector Hub and to accommodate the expansion of occupation by the Department of Work and Pensions and the relocation of the Revenues and Benefits Service from the Contact Centre, refurbishment works are required at Loxley House. In addition to this, resources are required to decommission the Contact Centre and to cover moving costs. Resources are also required to appoint a Change Manager to ensure the smooth transition of services.

1. Authority is required to approve the use of the £250,000 earmarked resources from the capital receipt identified in the exempt business case.
2. Approval is required to award any required contracts for furniture and fittings to the successful company, subject to compliance with the Council's Constitution and procurement regulations as appropriate.
3. Approval is required to agree to the amendment of any licence agreements that are affected to ensure compliance with licencing requirements upon the Council.
- 4.. Approval is required to appoint GF Tomlinson as the main contractor from the EMPA framework, to enter into contract with the determined supplier to purchase furniture /fittings and to amend any licences in place which are affected. GF Tomlinson are the preferred contractor as they have carried out works previously at Loxley House and are therefore experienced and familiar with the building and site.

**Other Options Considered:**

1. Do nothing. This option is rejected. The Council's Strategic Asset Management Programme aims to rationalise and maximise the utilisation of the operational estate through partnership and new ways of working. The relocation of Nottingham Revenue and Benefit's Service will enhance service delivery to citizens and improve space utilisation. In addition to this, the expansion of occupation by the Department for Work and Pensions will complement the improved service delivery for citizens and optimise efficiencies and value for money. The co-location of services will also strengthen the existing partnership between the Council and the Department for Work and Pensions.
2. The building works procurement route was considered and two options were reviewed - going out to the market place with a full set of tender documents or using the relevant framework agreement. Given the time constraint of the programme it was felt that that the most effective route would be to employ a contractor from the relevant EMPA Framework band (Intermediate lower).

**Background Papers:**

None

**Published Works:**

Delegated Decision 2826 - 03/05/2017

**Affected Wards:**

Bridge

**Colleague / Councillor Interests:**

None

**Any Information Exempt from publication:**

**Yes**

**Exempt Information:**

**Description of what is exempt:**

**Business Case**  
**Financial Comments**

**An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972**

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

**The public interest in maintaining the exemption outweighs the public interest in disclosing the information because**  
  
**it may adversely impact the future trading of the company**

**Documents exempt from publication:**

**PSH\_LH Business Case\_ final V10 0\_2017 09 08 updated Finance comment.docx, 170918 Loxley Great Workplace - Finance Comments.docx**

**Consultations:**

**Date: 19/10/2017**  
**Unions: Unison, GMB, Unite**  
**Meeting scheduled for October 2017**

**Those not consulted are not directly affected by the decision.**

**Crime and Disorder Implications:**

**Secure by design principles will be considered as part of the design process.**

**Equality:**

**Please login to the system to view the EIA document: EIA - Loxley phase 1 works.doc**

**Social Value Considerations:**

**N/A**

<b>Major Implications for IT:</b>	Yes
<b>Relates to staffing:</b>	Yes
<b>Relates to Council Property Assets:</b>	Yes
<b>Relates to Building Services:</b>	Yes
<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	10/10/2017
<b>Advice Sought:</b>	Legal, Finance, Procurement, Human Resources, Equality and Diversity, IT, Property, Building Services

**Legal Advice:**

**This report identifies a number of individual decisions all for the advancement of the Loxley House Great Workplace Project.**

**It is understood that part of the funding for the capital expenditure to deliver the project will be sought by Prudential Borrowing and it is paramount that any associated funding conditions are complied with by the Council in relation to this borrowing.**

**The majority of the capital funding will be applied to the contract with GF Tomlinson for the works to be undertaken at Loxley House. GF Tomlinson have been identified as the preferred contractor under the EMPA Framework which is considered to be a compliant procurement process and therefore raises no legal issues.**

**It is understood that additional fixtures and furniture may be required following the works and the procurement of such shall be subject to compliance with appropriate procurement processes, depending on value, in accordance with the Public Contract Regulations and the Council's Contract Procedure Rules.**

**Under Section 7 of the Local Government and Housing Act 1989, any appointment to the proposed temporary change manager post should be made on merit.**

**The proposals detailed within the report are supported and legal services will assist where necessary to support the Project.**

**Advice provided by Dionne Claire Screatton (Solicitor) and John Bernard-Carlin (Team Leader, Housing, Employment & Education Team) on 21/08/2017.**

**Finance Advice:**

**This advice is exempt from publication and is contained within an exempt appendix.**

**Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 16/08/2017.**

**Procurement Advice:**

**The works contractor is being engaged through an EMPA Framework, which is a compliant route available to the Council; on the assumption that this engagement is carried out in accordance with the terms of the Framework, there are no procurement issues with this decision. Advice provided by Jonathan Whitmarsh (Lead Procurement Officer) on 14/08/2017.**

**HR Advice:**

Decision two requests the appointment of a temporary Change Manager to support the project. As this is a new post the following should be noted:

A Change Manager job description is already established and is evaluated as GLPC grade H.

Approval should be sought from the Departmental Leadership Team to enable the recruitment of this post due to recent communication in relation to vacancy delays in order to enable the delivery of this programme to time.

Recruitment should take place through the standard NCC recruitment process. Appointee should commence at the bottom of the scale.

Given the short term nature of the post it is suggested that a secondment or acting up arrangement may be appropriate to facilitate the process. This would also avoid the potential for any redundancy costs where an individual accepts the fixed term contract with previous continuity of service for redundancy purposes.

If it is decided to proceed on a fixed term contract basis, an exit strategy will need to be in place to terminate the fixed term contract with the individual to be referred to redeployment three months prior to the end of the contract. If the individual has over 2 year's continuous service, they will be entitled to a statutory redundancy payment. Management should consider this when confirming the initial length of fixed term contract.

Advice provided by Joanne Hill (Service Redesign Consultant) on 11/08/2017.

**Equality and Diversity Advice:**

It will be important that all data and impacts are considered prior to works being undertaken to ensure that the diverse needs of both citizens and colleagues are managed appropriately. Advice provided by Adisa Djan (Equalities and Diversity Consultant) on 08/08/2017.

**IT Advice:**

The IT Service supports the proposals contained within this delegated decision.

The IT Service has been engaged by the project team and are contributing to the project's planning. IT facilities are extensively used by services being migrated into Loxley House and investment in the existing infrastructure will be required to provide additional capacity as well as to support moves of colleagues and partners. At this point it is believed that the technology requirement will be of the same type as that already provided and so project risk arising from new technologies is limited.

Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 14/08/2017.

**Property Advice:**

Property have contributed to the development of this project and support the proposal. An evaluation and appropriate upgrading of occupier services and FM systems needs to be made in conjunction with this project to meet the needs of the increased use loading on the property. Advice provided by Peter Carroll (Portfolio and Investment Manager) on 09/08/2017.

**Building Services Advice:**

Design Services have been engaged by the project team and are contributing to the development of this project in support of this proposal, Design Serices are providing design input and are actively looking to ensure that disruption existing services is kept a minimum. Advice provided by Leanne Day (Team Leader) on 21/08/2017.

**Signatures**

<b>Jon Collins (Leader of the Council)</b>
<b>SIGNED and Dated: 02/10/2017</b>
<b>David Bishop (Deputy CE, CD for Development and Growth)</b>
<b>SIGNED and Dated: 22/09/2017</b>