

STAFF REPORT

TO: Mayor and Councillors
FROM: Manager Property Services
DATE: 31 May 2010
SUBJECT: Main Office Complex Accommodation Proposals - Report RCN10-06-15

PURPOSE

To seek funding in the 2010/2011 Annual Plan for addition to the main office building complex.

BACKGROUND

The following is an update on staff accommodation for the Richmond main office.

186 Queen Street, Richmond

Currently the building team are housed offsite at 186 Queen Street behind First National. We have been offered an extension of the lease until 31 December and this may be able to be extended further but we will not know until later this year. Therefore we cannot rely on this building being available past 31 December 2010.

The extension to 31 December 2010 will enable alternative accommodation elsewhere to be obtained and fitted out, while a 12 month delay would enable a more permanent solution to occur.

Ground Floor 189 Queen Street

Ground floor alterations which involve building new locker rooms and removing partitions will proceed when the building consent is issued – probably within the next month. This work will provide a better layout of the ground floor and will allow either the Building team to return to the main office albeit in reasonably cramped conditions, or for the Regulatory team and the Regulatory Manager to occupy that space or move over to 186 Queen Street. Either option is available. However this only secures sufficient space through to 31 December 2010.

Main Office Extensions

Recently a proposal was presented to Council showing a first floor extension to the front of the building. The proposal provided only for short term growth and Council requested that any proposal be for a reasonably long term. We have subsequently

reconsidered the options and have produced a further option which should give us the ability to provide for growth for at least 10 years.

This proposal creates additional space on the ground and first floors.

Ground Floor Proposal

The ground floor creates an additional 380 m² (approx) of gross floor area and releases a slightly larger area that is currently taken up with existing customer services and public space areas. This new proposal provides a frontage to Queen Street and brings the Council presence out to the footpath with good urban design features. Some changes would need to be made to accommodate access to the Civic area (through the new staff areas) and space allowance made for access to the lifts and stairs. The provision of this additional space could provide for the immediate needs of the building and regulatory teams as well as providing for the customer services team. Actual or potential team space allocations have yet to be completed but the proposal allows for numerous options to be considered, not just those presently on the ground floor.

First Floor Proposal

The first floor proposes a gross floor extension of 450 m² (approx) which includes provision for a lift and stairwell. This area is an add on to the existing first floor and creates a decent sized envelope which could provide for the needs of the Community Services Department, the Strategic Policy Department, and the Chief Executive, all of which are already short of space, or allow the relocation of the Engineering Department to cater for their potential future requirements. As mentioned with the ground floor, potential team space allocations have yet to occur for the first floor but importantly there is sufficient space within the proposal to cater for future growth. This option will also provide sufficient space to allow for occupants of other parts of the building to be given better conditions.

Second Floor Option

Some alterations would have to be made to the existing proposed plan to provide for a second floor. This would require the lift to be relocated to provide security to the ground and second floors plus an allowance for toilets and kitchen facilities. The gross floor area would be approximately 450 m². We are still investigating the viability of this option and will report further to the Council at the meeting.

DISCUSSION

Councillors may recall that the last large addition (the \$3 million three storey building) was done to a budget that was tight which meant that we were limited with what we could achieve. This resulted in planning for space which did not provide ideal working conditions. However it has provided accommodation for the five years that was predicted when the work was approved.

Good space planning allows for about 11 m² gross floor space per person on average and this includes (for example) working space, meeting space (excluding the

civic areas) and quiet space. The planning for the last building work was not able to meet that requirement but we made do. There is an opportunity now to correct some of the shortcomings of the previous building work with improved layout and providing improved working conditions where possible. This would include reviewing the existing office and open plan layouts and assessing what changes may be undertaken and how that may best be achieved to provide staff with an environment that will see them work more effectively. One fit may not suit all which is why the process needs careful consideration. It is not a simple matter to put a cost around this as it depends where the various departments and divisions will be located and what the needs of the occupants are. This will require further work and the result will depend on the budget allocation. It is not intended at this time to change existing working environments but rather to look at those who will be occupying the new or renovated areas.

OPTIONS AND COSTINGS

Off site accommodation to provide an interim solution from 1 January 2011 is the subject of a separate report. Continuing to accommodate staff off site is not desirable for two reasons; one, the costs of providing data (phones, computers etc) off site and two, the preference that staff work on one site to enhance working relationships in a team environment.

The existing approved budget for 2009/2010 is \$1,032,100. A further \$500,000 has been committed in the 2010/2011 Annual Plan.

The additional amount sought to allow the building project to proceed is \$1,193,000. This brings the total amount of capital funding to \$2,725,000 and includes the cost of continuing to provide off site accommodation until the new extensions are complete.

RECOMMENDATION

- 1 THAT the proposed two storey extension to the Richmond main office be approved in principle and that additional funding be set aside in the 2010/2011 Annual Plan; and**
- 2 THAT the additional funding for 2010/2011 be loan funded; and**
- 3 THAT this amount not be drawn down until at least 1 January 2011; and**
- 4 THAT approval in principle be given to construct a second storey subject to confirmation of costings and agreements to lease the premises being entered into which adequately cover the cost of borrowing be loan funded with the money not to be drawn down until at least 1 January 2011.**

Jim Frater
Manager Property Services

