

Report to: **Executive**

Date: **16 September 2021**

Title: **Follaton House Accommodation Usage**

Portfolio Area: Leader of the Council: Cllr Pearce

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: upon the expiry of the Call-in period (5.00pm on Monday, 27 September)

Author: **Senior Leadership Team** Role: **SLT**

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#### **RECOMMENDATIONS:**

**That the Executive:**

- 1) Approves the adaptation of the Council Chamber to support greater transparency of our democratic processes and embed, through technology, positive outcomes of the pandemic, leading to improved public engagement and accessibility.**
- 2) Notes ongoing modernisation and uplift the old house including the chamber to meet the requirements of a modern Council.**
- 3) Delegates the selection of specific furniture & furnishings to the Head of Assets in consultation with the Leader and Portfolio Holder.**
- 4) RECOMMENDS to Council to fund the cost of a new Audio Visual system of an estimated £130,000, from the new burdens revenue funding received from the Government for the administration of the recent Business Grants, as set out in 4.3. In addition, it is recommended to fund up to £30,000 for the cost of furniture, from the repairs and maintenance earmarked reserve.**
- 5) Endorses the continuing strategy of increasing rental income from Follaton House by securing lettings throughout the building to meet demand of businesses and partners, including areas previously utilised by Council staff and Members. This will lead to an increased use of the Old House by Council staff and Members.**

## **1. Executive summary**

- 1.1. Prior to the pandemic, the Council decided to retain Follaton House, as its home and base of operations and democracy.
- 1.2. Whilst the future of the building and its ultimate use may be impacted by the pandemic and resultant market trends, the work of maintaining and improving Follaton House remains ongoing.
- 1.3. This report sets out some of the improvements made to date and highlights opportunities to go further.
- 1.4. Lessons learnt from the operating changes made during the Covid pandemic, if embedded into the Council's future ways of working, will lead to positive democratic outcomes alongside increased accessibility for the public.
- 1.5. Fundamentally, this will ensure modern decision making, open and transparent democracy and support members in their role as Councillors and decision makers on behalf of the community.
- 1.6. It will provide a modern flexible large meeting space which will be available for the community to use alongside our tenants and the Council.
- 1.7. The Council was an early adopter of agile working putting it in good stead to manage the pandemic. These improvements, will ensure the efficient use of member and officer time, reduce unnecessary journeys in line with our stated commitment to reduce our carbon footprint to net zero by 2030.
- 1.8. These proposals seek to protect and enhance the grade 2 listed building, including continued improvements in the public and member areas of the building.

## **2. Background**

- 2.1. Prior to the pandemic, the Council decided to retain Follaton House as its home and base of operations and democracy.
- 2.2. The Council has been central to the pandemic response, supporting people, businesses and places, all the while ensuring the continuation of its democratic function and decision making.
- 2.3. During this time, the Council moved to entirely online meetings and further changes in Covid related legislation has resulted in the adoption of a hybrid meeting model (with formal meetings face to face and informal meetings being held on Microsoft Teams). These changes have been driven by the need for safety and a duty of care to all participants. The proposals in this report will further the Council's ambition to adopt a hybrid model for both formal and informal meetings in future once the government has passed primary legislation to make that possible.
- 2.4. Whilst Follaton House was largely unoccupied, the work of maintaining and improving Follaton House (the old house) has been ongoing. The

building is Grade 2 Listed, and needs constant and sensitive care and maintenance. The opportunity to do some work that would otherwise be disruptive was embraced.

- 2.5. The agile area of Follaton House (FH) was let to the NHS as a vaccination centre to support the national effort to roll out the vaccination programme. The NHS have recently confirmed they wish to continue occupation of the space for longer and at least until the end of 2021.
- 2.6. Alongside this, interest from external businesses/organisations remains for rented space in the agile area of the building. Comparatively, interest remains low for the old house areas of Follaton House.
- 2.7. The agile area can be available to rent for businesses and partners (subject to terms) and a letting of an office on the 1<sup>st</sup> floor (the current Live West area) is being discussed currently. The approach of letting the agile area and modern part of the building is both commercially and operationally advantageous, supported by the Council's agile working protocols.
- 2.8. The onsite café, Follies closed during the pandemic and the operator does not wish to continue to trade from the site. As such, onsite food provision is not available currently. Temporary arrangements are in place for member meetings which require full day attendance. Looking ahead, it is intended to run an Expressions of Interest (EOI) exercise to test the market and seek a suitable future operator for the cafe.
- 2.9. During the period where the building has been largely unoccupied, the facilities management and maintenance teams have been undertaking works to improve the old house area to meet the needs and feel of a modern Council.
- 2.10. The rooms within FH Old House which have been redecorated &/or updated (lighting, carpet etc.) so far are:
  - G216
  - CG28 Hallway
  - CG31
  - Members little kitchen
  - CF27 hall leading to AONB
  - CF24/CF25 Hallways
  - F207 land charges just been decorated
  - F206 New with 8 new double sockets in trunking plus new carpet
  - F205 New with 13 new double sockets in trunking plus new carpet
  - F204 New with 11 double sockets in trunking no carpet

- 2.11. A plan is included at Appendix A which shows the above as well as the tenanted areas of the building.
- 2.12. The roof of Follaton House is in need of significant ongoing investment to ensure it remains both fully functional and meets our duties with respect to the grade 2 listed part of the building. It has been recognised for some time that remedial works are required and the roof has its own reserve fund (which will stand at a balance of £300k by April 2022) to facilitate necessary repairs. Investigations are ongoing and a phased solution, to take account of issues such as listed building status and ecological considerations, is being developed. Progress will be reported through the capital programme monitoring report when the detail is known.

### **3. Chamber Maintenance and the impact of Covid**

- 3.1. Officers have also been undertaking investigation work into the condition of the air handling system in the chamber which is currently out of order. Air circulation is a critical mitigation measure to prevent the spread of infection, and needs to be rectified before the room can be used safely. Furthermore, the system has been functional, but sub-optimal for some years, due to noise levels generated when in use and ineffective heat control (hot & cold).
- 3.2. Two companies have investigated the problems and presented initial solutions to resolve the air handling issues. Officers will continue to work with the supply chain to deliver the best value, most effective solution. The cost of the repairs is being refined, but is in the order of £30k, depending on how much repair and replacement of critical parts and equipment is required. Any repairs to the air handling and conditioning systems will be funded from the repairs and maintenance budget which is already budgeted for.
- 3.3. The programme for completion of these repairs is also being refined (supply chain and contractor dependant) but it is intended works will be completed in time for February 2022 Council to use the chamber.
- 3.4. The existing furniture configuration also presents issues for continued use of the chamber in its current form. Layout assessments and spacial design work has shown the existing furniture cannot be configured in a way to permit sufficient attendance at a minimum 1m spacing, essential for COVID safe in person meetings. This spacing is identified within our risk assessments as a minimum requirement to ensure meeting participants remain safe. The removal of the old furniture has started to facilitate these improvements.
- 3.5. As some of the existing furniture is fixed, reprovision of the furniture in the chamber to allow Council meetings to be conducted safely will be required. Replacement will be undertaken in consultation with the leader and portfolio holder with options presented to meet revenue budget, design and functionality constraints.
- 3.6. As the existing furniture is integral to the fabric of the chamber, its replacement will also require the carpet to be replaced and the walls to be redecorated. These aspects will also be fully considered in consultation with the leader and portfolio holder.

- 3.7. The cost of the furniture of up to £30,000 is recommended to be funded from the Repairs and Maintenance Earmarked Reserve, which has a current uncommitted balance of £90,000.
- 3.8. Once complete, the chamber will be thoroughly uplifted, modernised and future proofed by these proposals. It will underpin our ability to engage with our community through improved accessibility, transparency and align to our Better Lives for All strategy.

#### **4. Post Pandemic Learning – Impact on Follaton House Accommodation**

- 4.1. Only now, as we exit the current pandemic phase are we able to reflect and review lessons learnt and seek to embed successes we have achieved.
- 4.2. Hosting online Council meetings had its challenges but the benefits of public access, a more open process, accessibility and reduced travel are recognised and are recommended for incorporation into our processes going forward where practicable.
- 4.3. The current legislation requires Council meetings to be held in person. However, for those not able or willing to attend the use of technology can allow participants to be able to see, hear and contribute regardless.
- 4.4. An enhanced technology solution is required in the Council chamber to deliver this and ensures full transparency and engagement of the Council's democratic processes is enjoyed by all.
- 4.5. In addition, the vaccination centre and our newly embedded work protocol has built on our agile working policy. The use of technology further supports this and allows it to continue effectively while ensuring staff and members can work safely, only attending FH when required to work collaboratively or attend meetings as required.
- 4.6. In turn, this has reduced the required operational footprint of our staff within the agile areas used pre-pandemic.
- 4.7. FH will continue to be a place to collaborate, meet and conduct business, but it is no longer a default location to simply "work". We will maintain a flexible approach to this, reflecting individual needs and requirements.

#### **5. Audio & Visual Improvements to Support Democracy and Public Accessibility**

- 5.1. To embed the positive learning from the pandemic, a new Audio Visual (AV) system will be installed in the chamber. This system would facilitate hybrid meetings, improved participation and ensure meetings can be streamed clearly. It will be designed so the use of the room and layout can be flexible, rather than fixed facing forward as it is now. The current equipment is end of life in any event and is due to be renewed, the learning from the pandemic has informed the specification and outputs we need from the system.
- 5.2. The cost of the Audio Visual is anticipated to cost £130k and it is proposed to fund this from the additional burdens funding received

from the Government for the Council's administration of the business grants (£305k of Government funding was received). Members will recall that the Council was able to process over £81m of grant payments to South Hams businesses from our existing staffing resources by flexing the establishment, so the Council has not had to rely on this funding to date. This funding has not been budgeted for, due to its nature. The balance of the funding (£165k) will be set aside as a first call to ensure R&M budgets are maintained and replenished in order to undertake necessary works for Follaton House.

- 5.3. New furniture will ensure a minimum 1m spacing of attendees of meetings in the chamber and provides an opportunity to create a modern flexible space.
- 5.4. An improved AV system installation can have screens on all walls and allow the room to be laid out in multiple formats as needed for the occasion. Appendix B sets out some impressions of how the chamber can look and be laid out with these improvements.
- 5.5. The majority of work to modernise the Old House has and will continue using existing revenue budgets and resources. This includes redecoration of the Chamber and any associated wiring and lighting.

## **6. Outcomes**

- 6.1. Over the coming months, the chamber will benefit from critical maintenance work, installation of a flexible seating solution, decoration work and a significantly updated AV solution. This will result in a modern, flexible place reflective of a modern Council.
- 6.2. It will embed the learning from the pandemic and provide improved accessibility to our democratic processes and as a result further transparency to our decision making.
- 6.3. These proposals will as an ancillary benefit reduce travel associated with members meetings and reduce the carbon footprint of them as a result.
- 6.4. It should be noted that the letting of the agile space and offices on the first floor will provide additional income (e.g. from the vaccination centre).
- 6.5. Continued efforts to let the newer parts of FH will, over time lead to an increased uptake in use of the old house by members and officers. The NHS vaccination centre is an example of the flexible approach we can take to lettings.

## **7. Options available and consideration of risk**

- 7.1. Continual upgrading and improvement of Follaton House will continue, funded by the revenue budget, to include the air handling, as a necessary repair to ensure the room is safe to use.
- 7.2. The upgrading of the furniture is a requirement to provide a capacity of ~40 within the chamber at one metre spacing. It would be possible

to hold meetings at its current capacity of 30, but would not enable the Development Management Committee to function effectively, nor Full Council.

- 7.3. The upgrade of the AV system is not a Health and Safety (H&S) requirement, but it does facilitate remote attendance which in itself address some H&S issues. Fundamentally however, it facilitates the positive democratic benefits set out above and is recommended as the preferred way forward.
- 7.4. The time frame for the works is quite long and would impact Member meetings until the next calendar year. As with all works projects, it is possible this timeline could lengthen. This would be mitigated as it is now; the use of Kilworthy Park, other venues, the Repton and Cary rooms (where possible) and virtual meetings.

## 8. Proposed Way Forward

- 8.1. The maintenance and modernisation of FH will continue to ensure it is fit for purpose for a modern Council, and is attractive to the market to support commercial lettings.
- 8.2. As such, the improvements to the Old House will ensure it is well suited to members and officers requirements to collaborate and work. This space may over time become better utilised by those groups as other space in the new parts of the building is let.
- 8.3. Central to facilitating better public engagement and flexibility at democratic meetings are the proposals to install a modern AV system. Done in parallel with the maintenance and decorative work, the Council Chamber will become a more flexible and interactive space, suitable for hybrid meetings. Furthermore, this will provide a space which is more attractive to our tenants and other partners for their use on a commercial basis, when not required by the Council.

## 9. Implications

Implications	Relevant to proposals Y/N	
Legal/Governance	YY	Contracts for the necessary works, goods and services will be let in accordance with the Council's Contract Procedure Rules.
Financial implications to include reference to value for money	Y	<p>The report recommends to Council to fund the cost of a new Audio Visual (AV) system of an estimated £130,000, from the new burdens revenue funding received from the Government for the administration of the recent Business Grants, as set out in 4.3.</p> <p>In addition, the report proposes spending up to £30,000 for the cost of furniture, from the repairs</p>

		and maintenance earmarked reserve, which has an uncommitted balance of £90,000.  Any repairs to the air handling and conditioning systems (expected to be in the order of £30,000), will be funded from the repairs and maintenance budget which is already budgeted for.
Risk	Y	The programme currently remains to be clarified but is estimated to be realistic. Mitigation measures are set out in the Risk section above.
Supporting Corporate Strategy	Y	Better Lives for All: Council Services
Climate Change - Carbon / Biodiversity Impact	Y	A modest reduction in the carbon footprint associated with travel to Council meetings.
Comprehensive Impact Assessment Implications		
Equality and Diversity		No implications.
Safeguarding		No implications.
Community Safety, Crime and Disorder		No implications.
Health, Safety and Wellbeing		No implications.
Other implications		None at this stage.

### **Supporting Information**

None

### **Appendices:**

Appendix A - Follaton House Floor Plan

Appendix B – Visualisation of the Council Chamber

### **Background Papers:**

None