

O F F I C E

A C C O M M O D A T I O N



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Plan

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Office Accommodation Plan

How do we get there?

The Plan

The Policy and Strategy sets out our vision, our objectives, our performance, and where we want to be, targeting areas of improvements across the office estate, i.e.:

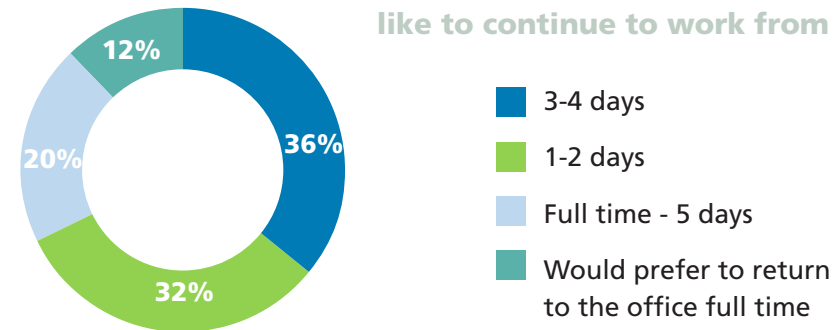
- Reduction in overall space
- Reduced revenue costs (rates, rent, energy, cleaning, repairs, servicing and maintenance, insurance, refuse, energy, and water).
- Disposal of surplus assets releasing capital receipts.
- Reduced backlog maintenance costs and risk, prioritising investment need.
- Reduced energy consumption and CO2 emissions
- Improved Estate performance (Space Utilisation, Suitability, Condition and Environmental Management)
- Offices that support and enable Smarter Working
- Opportunity to share space with partnership organisations (see Working with Partners)

The office accommodation plan to achieve this is set out below with the offices to be vacated, the action required and anticipated timeline. A summary how this improves the office estate against baseline data is also provided.

Appendix 1 shows the offices to be retained with occupancy based on current staff numbers at a 7:10 ratio (7 workstation for every 10 FTE). The impact to offices through a process of scenario planning if 25%, 50% or 75% of staff continue to work from home, has also been provided.

Results of the staff survey (**contained within Appendix 4 of the Strategy**) compliment this data and give some indication of how people want to work based on their experience working from home during the pandemic i.e.:

When restrictions ease and the return to working in office buildings is introduced, how often would you like to continue to work from home?



Staff survey results show that 20% of staff who responded, would like to continue working from home full-time. This, combined with a further 68% of staff who would like to work from home either 1-2 or 3-4 days per week, reveals that the way people want to work is changing. It is clear from these results that a blended approach to office and home working is preferred.

The balance between office and home working will differ from person to person, and it is still uncertain how this will impact on future office utilisation and workstation requirement. Trends confirm staff numbers are reducing and the outcome of Service transformation is predicted to impact on how / how often our offices are used. As such, continued monitoring of occupancy and utilisation is required. The number of premises retained as office accommodation, shown at **Appendix 1**, will need to be reviewed regularly to ensure efficiency across the office estate.

Offices Retained

Main Office Locations	Town	Investment
Annandale & Eskdale		
Annan Town Hall CSC & Library	Annan	Improvement works to be agreed
Nithsdale (Dumfries)		
Militia House	Dumfries	Refurbished for Smarter Working
122-124 Irish Street Offices	Dumfries	Refurbished for Smarter Working
Council Headquarters	Dumfries	Committed Investment Planned
Carruthers House Offices, Dumfries	Dumfries	Refurbished for Smarter Working
Kirkbank House, Dumfries	Dumfries	Committed Investment Planned
Stewartry		
Garden Hill Care Centre, Castle Douglas	Castle Douglas	Leased Premises - No Planned Investment
Offices, CSC & Library, Daar Road Offices, Kirkcudbright (Part Office Only)	Kirkcudbright	Improvement works to be agreed
Abercromby Depot, Castle Douglas (Part Office only)	Castle Douglas	Improvement works to be agreed
Wigtown (Newton Stewart)		
Douglas Ewart High School (office areas only)	Newton Stewart	Refurbished for Smarter Working
Wigtown (Stranraer)		
Commerce Road Depot (Office)	Stranraer	Refurbished for Smarter Working
Ashwood House Offices, Stranraer	Stranraer	Refurbished for Smarter Working
Total	12	
Other Office Locations - No Change Planned		
Langholm Town Hall, Library & CSC	Langholm	No Planned Investment
Midsteeple Offices	Dumfries	No Planned Investment
Oasis Youth Centre	Dumfries	No Planned Investment
Community Services Workshop, 8 King Street, Dumfries	Dumfries	No Planned Investment
Lochside Stores, Dumfries	Dumfries	No Planned Investment
Wayside Depot (GF Office Area only - First Floor leased to Amey)	Dumfries	No Planned Investment
Mill Hill Centre, Kelloholm	Kelloholm	No Planned Investment
Sanquhar Library & CSC, 100-102 High Street	Sanquhar	No Planned Investment
Wigtown County Buildings, Library & CSC	Wigtown	No Planned Investment
Total	9	

The following table provides a list of the offices to be vacated, the action required and anticipated timeline.

This reduces the offices estate from 35 to 21 (an overall reduction of 14 premises). However, the table identifies 16 offices – these 2 additional offices are Abercromby depot, Castle Douglas, and Daar road offices, Kirkcudbright where savings could be achieved through the disposal or let of part of the office accommodation. Further details are provided below.

Offices to be Vacated

Property	Gross Internal Area m ²	*Revenue Saving £	**Potential Rental Income	Potential Capital Receipt	Action	Timeline
1 39 Lewis Street, Stranraer	339.85	£12,186	-	£120,000	Dispose (agreed)	2021/22
2 Harthill Depot (office element only)	390.36	£20,882	£15,000	£5,000	Dispose or Let	2021/22
3 Aird Building (part) Offices, Stranraer	227.55	-	£10,000	-	Re-purpose or Let	2021/22
4 Stranraer Library (office element first floor)	160.47	-	£14,000	-	Re-purpose or Let	2021/22
5 Monreith House (leased)	1,905.08	£396,967	-	-	Terminate Lease	2021/22
6 Culhorn Depot, Stranraer	1,434.49	£35,441	-	£200,000	Dispose	2021/22
7 Old Town Hall Newton Stewart	164.37	£2,972	£6,000	£60,000	Dispose or Let	2021/22
8 4 Water Street Dalbeattie	92.67	-	£4,600	-	Re-purpose or Let	2021/22
9 Penninghame Centre, Newton Stewart	427.38	£15,842	-	£150,000	Dispose (agreed)	2022/23
10 52-56 Queensberry Square, Dumfries	855.31	£28,218	-	£260,000	Dispose (agreed)	2022/23
11 Abercromby Depot (part office element only)***	369.12	£50,170	£22,000	£160,000	Dispose or Let (part office only)	2022/23
12 McMillan Hall (Office element only)	67.89	-	-	-	Vacate (Hall use)	2022/23
13 5 St. Andrews Street, Castle Douglas	114.05	-	£4,500	£40,000	Dispose or Let	2023/24
14 Daar Road Offices (High Street offices only)***	417.36	£11,225	-	£90,000	Dispose (part office only)	2023/24
15 Municipal Chambers	2,582.44	-	£90,000	-	Re-purpose (agreed)	2023/24
16 Cargen Tower Depot & Offices (leased)	9,546.29	£454,301	-	-	Terminate Lease	2029/30
	19,094.68	£1,028,204		£1,085,000		

* All revenue savings are indicative 2021/22 budgets correct as per integra March 2021. Part disposal options - saving pro-rata to GIA and are indicative.

**Where both rental income and capital receipt shown, capital receipt preferred. Rental income shown as an alternative option.

*** No. of offices reduce by 14 (from 35 to 21). Additional 2 offices shown at Abercromby depot and Daar Road refer to only part of the office accommodation. GIA of office area at these locations would reduce with the opportunity for part disposal or let.

1. **39 Lewis Street Stranraer** agreed saving as part of the 2013/14 - 2015/16 Budget within Non-Schools Property Rationalisation. Criminal Justice staff relocate to Ashwood House.
2. **Harthill depot, Lockerbie** – Office block portacabins. The potential capital receipt shown is for disconnect and removal from site. Consultation with Services is ongoing.
3. **Aird offices, Stranraer** – Relocation of staff to Ashwood house. Consultation with Skills, Education & Learning on options around any service need. Potential for community use or rental opportunity.
4. **Stranraer Library** – Vacate First Floor office occupied by Financial Wellbeing & Revenues. Consultation with Service on relocation to Ashwood House ongoing. Consider community use of vacated space or potential for rental income as shown.
5. **Monreith House, Dumfries** - The Councils data centre is currently located on the ground floor at Monreith. Business & Technology Solutions have developed a business case to move equipment and deliver IT data centre from ‘the Cloud’. Once data centre and associated IT equipment removed, Monreith House can be vacated, and lease terminated saving circa. £400k p.a. Timelines would require notice to be served by December 2021 to allow time for dilapidations by lease end on 15th January 2022. Capital funding would be required for dilapidation work.
6. **Culhorn Depot, Stranraer** – Relocation to Commerce Road depot offices (as above).
7. **Old Town Hall Newton Stewart** – Option is shown for disposal or rental opportunity. An expression of interest for community asset transfer has been received for this property.
8. **4 Water Street Dalbeattie** – Vacated as a budget saving as part of the Customer Service Centre and library integration in 2014. The office is situated below Dalbeattie Town Hall with potential as a rental opportunity for use by other public sector or community planning partners.
9. **Penninghame Centre, Newton Stewart** - Agreed at Policy & Resources Committee on 13th June 2019 premises to be disposed. Note this property is subject to community asset transfer request.
10. **52-56 Queensberry Square Dumfries** - Agreed at Economy & Resources Committee on 12th Sept 2019 premises to be disposed. Note this property is subject to community asset transfer request.
11. **Abercromby Depot, Castle Douglas** (offices element only) – Occupancy numbers of staff based at Abercromby office has reduced to around half of the number of available workstations. This is headcount and majority of staff are agile workers. Abercromby offices are in 2 blocks attached by a link corridor. Opportunity shows the potential to reduce office block by half and sell or let out one block as shown. Could be potential to remove remaining block at some time in the future depending on use and service need.
12. **McMillan Hall, Newton Stewart** – Vacate office. Room use in connection with hall facility or potential rental opportunity as shown.
13. **5 St. Andrews Street, Castle Douglas** – Currently occupied by Glenkens Project until March 2023 (or possible 2024 extension due to Covid). When vacated by Glenkens Project, opportunity to vacate and sell or let as shown.
14. **Daar Road offices, Kirkcudbright (High Street building only)** - Separate from main building and dispose. Potential capital receipt includes separation costs from main building. Daar Road under utilised and capacity for staff from High Street to move into main building.
15. **Municipal Chambers, Dumfries** – Included in Dumfries Asset Plan project; offices focus and agreed at Policy & Resources Committee on 25th February 2016 to vacate as office provision and repurpose. Potential as Arts Centre provision or used by other public sector or community planning partners. Opportunities to generate rental income of the offices could also be considered.
16. **Cargen Tower Depot & Office, Dumfries** – Lease committed until 2029. Explore options to relocate garage and workshop facilities at Dumfries Zero Waste site. Ring-fenced capital funding would be required for new provision on the Council owned zero waste site enabling lease to be terminated and Cargen Tower depot and offices to be vacated saving circa. £500k p.a. Office based staff would relocate and utilise Smarter Working office facilities available within Dumfries Town Centre.

Further detail of how this can be achieved is provided at **Appendix 1 – Scenario Planning and Recommended Action.**

The following summaries how this improves upon the baseline data.

	Baseline Data (2020/21)	How we get there (Recommended)
No. of office premises utilised as offices	35	21
Annual Running Costs - Average over 5 years (whole site)*	£3,510,131	£2,335,490
Backlog Maintenance Costs (whole site)**	£10,102,773	£7,585,864
Gross Internal Area m ² (whole site)	64,215	45,120
Gross Internal Area m ² (office area only)	27,587	15,875
No. of Workstations	1,938	1,062
Workstation: Person Ratio	12:10	7:10
Area per person (m ²)	17.5m ²	10.1m ²
Annual cost per occupant (£) (offices only)	£937	£523

* Annual Running Cost average of 5 years from 2015/16 to 2019/20

** Backlog costs taken from condition survey data 2020/21

Funding

Backlog Maintenance Costs are provided at Appendix 2. As previously stated, these are works costs only excluding VAT, fees etc. Any additional costs dependent on solution chosen will be included within project costs being brought forward for consideration. The risk profile of backlog costs shown are relevant at time of current condition survey data. It is important to understand the risk around continued deterioration and/or failure of an asset increases. It is important that any future investment decisions are based on those with the most significant risk.

The cost of Smarter Working refurbishment works at completed sites (Irish Street, Cargen Tower, Carruthers House, Monreith House and Ashwood House (Phase 1 & 2)) is circa. £600 /m². This is based on total outturn costs excluding any contribution i.e. from Salix.

There are 12 sites identified at Appendix 4 as main office locations, 8 of which have been / are due to be refurbished for Smarter Working. Those retained within Dumfries have been refurbished or are planned as part of the agreed Dumfries Asset Plan: offices focus project. £8.5m funded from the Property / Building (Non-Schools) Asset class complimented from funds through Salix and the Mechanical, Electrical and Building Fabric Upgrade Blocks. Council Headquarters will be phased over a number of years and will also include funding from the underspend at Queensberry Square.

The 4 of the 12 remaining sites are:

- Annan Town Hall
- Daar Road offices, Kirkcudbright
- Garden Hill Care Centre, Castle Douglas
- Abercromby depot offices (part office block)

A Smarter Working environment has been provided at Douglas Ewart High School for Social Work Children & Families. Further work is being considered in consultation with Skills, Education & Learning, to create touchdown hub at Douglas Ewart High School.

Options to create Smarter Working environments at these 4 locations needs to be further explored.

The utilisation of our offices from the impact of Covid-19 is not yet fully understood. The pandemic has accelerated change and the need for future change. There are different workstreams ongoing at a local and national level which will influence our future office estate. The outcome of these workstreams is required to shape our offices and the investment required.

- Outcome from the RRR evaluation framework – service consultations and staff evaluation
- Council transformation programme and future Service delivery.
- Impact of Covid-19 i.e. the number of, and frequency of staff working remotely or from home in the future.
- Outcome from the 'Independent Review of Adult Social Care in Scotland' – "...commissioned by Scottish Ministers in response to the experience so far of Covid-19..."

Once use of offices can return to 'normal' post covid-19, workspace utilisation surveys will be carried out to gather data and assess utilisation of offices across the region. This data will be used along with the outcome of the various workstreams to challenge our assets and inform decisions.

Work on this does not stop Smarter Working. This will and should continue to evolve - to shape our offices and transforming the way we work.

Conclusion

This document outlines the key strategic objectives for the office estate focused around the Councils priorities and strategic Themes.

The Office Accommodation Policy providing our vision and objectives; the Strategy providing detail on the performance of our buildings and the strategic case for change with an office estate larger than we need (with more workstations than people); and the plan which targets the offices to be vacated.

Although the number of buildings we use as offices has reduced and savings achieved, staff numbers have continued to decline and subsequently our buildings continue to be under-utilised.

Utilisation of our offices will worsen as people adapt to new ways of working. Staff survey results at **Appendix 4 of the Strategy** and comments received from people allude to this (with 20% of office-based staff preferring to work from home full time, and a further 36% 3 to 4 days per week) reinforcing a need to reduce our office estate.

Vacating offices we no longer need and investing in assets linked to capital investment priority areas on buildings retained as office accommodation, offer opportunities to make savings, improve performance and reduce our carbon footprint supporting our commitment to the Councils Climate Emergency.



Appendix 1 - Scenario Planning and Recommended Action

UPRN	ADDRESS1	ADDRESS3	AREA	Occupancy March 2021	Workstations	Occupancy Totals by Area	Proposed Agile Workstations	Workstation : Occupancy Ratio	Workstations Required (if 25% Staff Home Work)	Remaining W/S (50% Home Work)	Remaining W/S (75% Home Work)
Retain - Main Office locations											
746X00	Annan Town Hall CSC & Library		Annan	A&E	109	138	90				
Annandale & Eskdale						128	90	8:10	96	64	32
401X00	Militia House	Dumfries	Dumfries	0	147	147					
743X00	122-124 Irish Street Offices	Dumfries	Dumfries	240	183	183					
751X00	Council Headquarters	Dumfries	Dumfries	57	76	36					
754X00	Carruthers House Offices, Dumfries	Dumfries	Dumfries	158	184	184					
792X00	Kirkbank House, Dumfries	Dumfries	Dumfries	56	56	56					
Nithsdale (Dumfries)						1053	606	6:10	790	527	263
715X00	Garden Hill Care Centre, Castle Douglas	Castle Douglas	Stewartry	31	41	22					
748X00	Offices, CSC & Library, Daar Road Offices, Kirkcudbright	Kirkcudbright	Stewartry	42	67	35					
911X10	Abercromby Depot, Castle Douglas (office only)	Castle Douglas	Stewartry	21	39	15					
Stewartry						101	72	8:10	76	51	25
083X00	Douglas Ewart High School (office areas only)	Newton Stewart	Wigtown	22	18	39					
Wigtown (Newton Stewart)						55	39	8:10	41	28	14
509X00	Commerce Road Depot (Office only)	Stranraer	Wigtown	19	27	32					
749X00	Ashwood House Offices, Stranraer	Stranraer	Wigtown	81	87	118					
Wigtown (Stranraer)						162	150	10:10	122	81	41
Total						1499	957	7:10	1124	750	375
Retain - No Change Planned											
250X43	Langholm Town Hall, Library & CSC	Langholm	A&E	2	6	No change to current use					
710X01	Midsteeples Offices	Dumfries	Dumfries	0	1	Ticket office location. Explore future options around repurpose, let or transfer opportunities to remove from the office estate.					
741X00	Oasis Youth Centre	Dumfries	Dumfries	22	16	Office use associated with Service use only					
851X60	Community Services Workshop, 8 King Street, Dumfries	Dumfries	Dumfries	12	10	Office use associated with Service use only					
958X00	Lochside Stores, Dumfries	Dumfries	Dumfries	7	27	Use of office associated with stores					
503X00	Wayside Depot (GF Office Area only - First Floor leased to Amey)	Dumfries	Dumfries	12	16	Office use associated with Service. Could be removed at some point in future if alternative location identified.					
190X50	Mill Hill Centre, Kelloholm	Kelloholm	Nithsdale	7	13	No change to current use					
788X00	Sanquhar Library & CSC, 100-102 High Street	Sanquhar	Nithsdale	5	7	No change to current use					
709X00	Wigtown County Buildings, Library & CSC	Wigtown	Wigtown	6	9	No change to current use					
Total						9	73	105			
Total						1572	1062	7:10	1179	786	393
Vacate											
508X00	Harthill Depot (office only), Lockerbie	Lockerbie	A&E	19	19	Vacate office block and sell / let. Relocation of office base to Annan Town Hall					
504X50	Cargen Tower Depot & Offices	Dumfries	Dumfries	226	257	Vacate at lease end 2029. Explore opportunities to relocate garage & workshop to zero waste site.					
742X00	52-56 Queensberry Street Offices	Dumfries	Dumfries	43	58	Economy & Resouces Committee agreed 12th September 2019 - premises are closed and subject to disposal process.					
745X16	Monreith House	Dumfries	Dumfries	181	163	Vacate and terminate lease on relocation of Council Data Centre. If achieved 2021 potential to vacate Monreith Jan 2022					
747X00	Municipal Chambers	Dumfries	Dumfries	92	119	P&R Committee 25th February 2016 agreed repurpose as potential Arts Centre. Outcome of Options Appraisal to be determined.					
718X00	4 Water Street (offices only), Dalbeattie	Dalbeattie	Stewartry	2	5	Vacate and let. Private /public sector or community planning partners					
717X00	5 St Andrew's Street, Castle Douglas	Castle Douglas	Stewartry	5	8	Vacate and sell / let at end of Glenkens Project March 2023 or 2024 (to be confirmed by Service)					
157X06	Aird Building, Stranraer (part) Offices	Stranraer	Wigtown	8	11	Vacate releasing space for repurpose - options around use being considered					
173X00	Penninghame Centre, Newton Stewart	Newton Stewart	Wigtown	20	41	Policy & Resouces Committee agreed 13th June 2019 - premises are closed and subject to disposal process.					
250X18	McMillan Hall, Newton Stewart (office only)	Newton Stewart	Wigtown	9	8	Vacate releasing space for use with hall function					
369X00	Stranraer Library & CSC (first floor office only)	Stranraer	Wigtown	12	21	Vacate releasing space for use with library function					
496X10	Culhorn Depot, Stranraer (Offices Only)	Stranraer	Wigtown	21	31	Vacate office relocating to Commerce Road office 2021. Vacate and dispose of depot site on completion of phase 2 works.					
705X00	Old Town Hall, Newton Stewart	Newton Stewart	Wigtown	4	5	Vacate - subject to Community Asset Transfer					
875X00	39 Lewis Street Offices, Stranraer	Stranraer	Wigtown	21	24	Vacate and sell 2021 - agreed as part of the 2013/14 -2015/16 Budget process within Non-Schools Property Rationalisation savings					
Total						14	663	770			
Grand Total						35	1572	1938			

Workstations Nos	Ratio
1415	9:10
1258	8:10
1100	7:10
943	6:10
786	5:10
629	4:10
472	3:11

Based on March 2021 occupancy