

EQIA Submission – ID Number

Section A

EQIA Title

Property Accommodation Strategy Strategic Headquarters SHQ

Responsible Officer

Joanne Taylor - DCED INF

Approved by (Note: approval of this EqIA must be completed within the EqIA App)

Joanne Taylor - DCED INF

Type of Activity

Service Change

No

Service Redesign

No

Project/Programme

Project/Programme

Commissioning/Procurement

No

Strategy/Policy

No

Details of other Service Activity

No

Accountability and Responsibility

Directorate

Strategic and Corporate Services

Responsible Service

Joanne Taylor

Responsible Head of Service

Joanne Taylor - DCED INF

Responsible Director

Rebecca Spore - DCED INF

Aims and Objectives

A report was provided to the Policy and Resources Cabinet Committee on 11 September 2020, on the preparation of a Strategic Outline Case (SOC) that reviewed the options for the future of the Headquarters Estate centred around Sessions House. This was reviewed by the Committee on the 6 November 2020, where it was agreed that the options appraisal should be revisited, taking into account accommodation changes following the COVID-19 pandemic.

The key policy drivers to change the office estate are as follows:
Kent County Council's commitment to an inclusive workplace

Carbon Neutral by 2030

Condition and suitability issues.

Reduced Requirement for office space which provides a more effective and affordable provision.

Supporting regeneration and Place making

In December 2020, the Council established its Strategic Reset Programme (SRP). Future Assets including the future of SHQ is one of the 13 strands of the SRP. The future of SHQ will influence the accommodation provision across the remainder of the office estate and the delivery of £2.231m revenue savings, which was agreed by full Council and is in the medium-term financial plan (MTFP) as a result of a smaller and more efficient office portfolio.

Following consideration of the revised options, on 13 July 2021, the Policy and Resources Cabinet Committee received an update on the Office Accommodation Strategy that specifically addressed KCC's Maidstone office assets, Invicta House and Sessions House (referred to collectively as SHQ).

Following this meeting, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services took decision 21-00064 on 13 August 2021 to progress with the marketing of Blocks A, B and E of Sessions House for disposal and to develop an option for the refurbishment and modernisation of Blocks C and D, predominately for civic uses and Invicta House as a staff hub.

On 24 March 2022, the Policy and Resources Committee received an update on the progress of the project following decision 21-00064. RIBA Stage 1 had been completed for the Masterplan, including development of design options for Blocks C and D of Sessions House and Invicta House, with RIBA Stage 2 designs due for completion in summer 2022. The marketing exercise for the disposal of Blocks A, B and E of Sessions House was noted to commence summer 2022.

RIBA Stage 2 design progression and subsequent Final Design Report for the '2021 Option' was completed in June 2022. The cost plan associated with RIBA stage 2 indicated a capital cost of £56.8m.

In October 2022, given the Council's significant financial challenges, the Deputy Leader and Cabinet Member instructed officers to pause design work for the 2021 option, revisit the scope and present lower capital cost options. The £35m capital budget allocated to the project was reduced to £20m and endorsed by full Council in February 2023. This represented a capital cap in respect of the project.

On 23 November 2022, the Policy and Resource Cabinet Committee were presented with a longlist of 6 options for consideration. It was noted that Option 1 (The July 2021 Option) and Option 2 (Retain and expand Invicta House and utilise other KCC accommodation) were not being progressed further due to the high capital cost requirement of each, exceeding the revised maximum budget of £20m and were therefore discounted from further consideration as shortlisted options.

The four remaining lower capital cost options were shortlisted for further consideration and developed in further detail, with both qualitative and financial assessments to be undertaken.

On 26 July 2023, the updated Business Case report was provided to the Policy and Resources Cabinet Committee and summarised the options available for the estates strategy moving forwards, within the revised MTFP cap of £20m.

The report identified a preferred Option - the increased utilisation of Invicta House, and the disposal of Sessions House (in its entirety). No dedicated council chamber is provided as part of this option. This preferred option was subsequently agreed under the Key Decision 23-00072 on 12 September 2023 with its viability tested further as set out in this report.

Historic under-investment in the estate over many years has created a significant maintenance backlog. As a result of this backlog and the limited suitability of buildings, many services are delivered from buildings that offer a poor user experience. In some cases, staff and service users have had to work in restricted and

challenging environments due to condition problems, which have resulted in the need to temporarily close areas of buildings, or a whole building due to health and safety concerns.

Due to the limited resources available, urgent health and safety spend is often prioritised meaning that suitability and accessibility issues are rarely addressed with management actions often put in place to enable services to function. i.e. location of functions is driven by the need for accessibility not strategic location and need. The parts of the SHQ campus in Sessions House that were in particularly poor condition (namely Blocks A, B and E) have not been reoccupied since the COVID-19 pandemic.

While KCC has committed to being carbon neutral by 2030, given the revised financial constraints and a maximum capital budget of £20m set in 2023, the reduction of the KCC carbon footprint can only be achieved through this programme via a reduction in the estate footprint.

Annual revenue running costs are approximately £6.5m across KCC's office estate including SHQ, with 3,300 tons of carbon produced. The reduction in the size of the estate will therefore partly address these figures, but KCC's target will not be fully realised by this. To meet the target set, other measures across the estate will need to be implemented.

The key drivers for the project within the £20 million capital budget remain unchanged from the 2023 Business Case and are:

Address Critical backlog Maintenance - Address Critical Red and Amber backlog condition works to ensure estate is Warm, Safe and Dry (WSD).

Reduce ongoing future maintenance - Through addressing backlog maintenance the future ongoing planned preventative maintenance (PPM) works are reduced and can be planned in an efficient manner.

Provide accommodation requirements - Provide accommodation in line with the minimum accommodation requirements schedule for the new SHQ provision.

Rationalise under-utilised estate - Reduction in the size of the SHQ estate by disposing of unused accommodation, which in turn reduces future ongoing liabilities from upkeep and holding costs.

The 2023 Business Case concluded a preferred option to enhance the use of Invicta House and seek to dispose of the entirety of Sessions House (Option 5), subject to a further re-marketing exercise which has now been completed as outlined below in the report.

Design Development of Preferred Option

Following approval of the preferred option in September 2023, design development of this option has been progressed to RIBA Stage 2 to demonstrate an enhanced utilisation of Invicta House. The preferred Option agreed in September 2023 is to consolidate the SHQ provision into Invicta House (including Members, the Corporate Management Team (CMT) and Officer provisions currently located in Sessions House), and to progress with the wholesale disposal of Sessions House (All Blocks A – E).

The proposals developed for Invicta House will result in accommodation being refurbished to address the urgent building condition requirements (identified in the 2022 Bidwell's Condition Reports), upgrade the Mechanical and Electrical systems, minor enhancement to reflect the changes to an SHQ (scope 1) and the relocation of KCC Members accommodation, CMT and other supporting officer functions currently located within Sessions House (scope 2).

The preferred option does not include the provision of a dedicated Council Chamber, but an allowance for

hiring accommodation to provide a space for a Council Chamber. Consideration has also been given to the inclusion of a new dedicated Council Chamber (scope 3) provision within Invicta House, to demonstrate how this could be accommodated if identified as a later accommodation requirement. It is noted that this would be a change to the scope by members and is currently outside of the cost parameters. Therefore, in order to avoid any abortive work, it is recommended that design work is progressed with the inclusion of a Chamber, but this is to be included as a variation to the construction works, which can be instructed if appropriate. This will only be instructed, if required following the identification of funding in the Medium-Term Financial Plan. Initial, high-level costings suggest that the cost associated with this provision is between £2-3 Million.

The developed proposals would result in the displacement of up to 200 desks from Invicta House, however this will be refined during the next stages of design through a different spatial arrangement and higher density in Invicta House, with the aim to reduce the displacement of desks to 40 or as close to Zero as possible. To supplement this and to retain flexibility, should additional capacity be required, accommodation would be expanded, or existing accommodation would be utilised across the remainder of the KCC corporate estate. Predominately, at Worrall House - Kings Hill, Kroner- Ashford and Brook House - Canterbury. Occupancy levels across the estate demonstrate in the data that is available that we are at this time operating within the office capacity levels with an average occupancy of 60% (note this varies across the office location, day of the week, and time.)

The RIBA Stage 2 cost estimate indicates a total programme budget of circa £18.27m required to deliver the proposals to consolidate into Invicta House (Excluding a council chamber) inclusive of Fee's to date, future fee's, Contingency and Fit Out costs (scope 1 and 2). Other than design work this figure excludes any costs associated with the provision of a council chamber (scope 3).

In order to implement the proposed works to Invicta House, a full decant is required from Invicta House for a period of 24 months. It is anticipated that this decant shall be accommodated through the short-term use of Sessions House Block A to minimise disruption to service delivery in Maidstone and staff. The project team are working to replicate the current desk provision in Invicta House into Sessions House temporarily. There are some operational teams in Invicta house, covering key activities, such as the provision of case conferencing, which will need to be carefully considered during this period, with high-risk service requirements temporarily managed from other locations. It is anticipated that limited additional compliance works may be required to Sessions House Block A to accommodate the decant. It is anticipated that a short-term lease back arrangement would be negotiated as part of the disposal agreement should the Council wish to progress with this option. The indicative costs associated with this light touch compliance work are anticipated to be £1.75m however detailed options are still be considered along with the balance between cost and service impact.

The capital works to Invicta House are to be procured via the KCC Contractor Partnership Framework as a direct award, utilising the contractor that is appointed for the Pre-Contract design work. The appointment of the contractor would be undertaken in accordance with the procurement framework requirements.

The procurement of the light touch compliance works is anticipated to be procured via the current Facilities Maintenance contract with Skanska given the current and ongoing maintenance requirements.

If the council progresses with the disinvestment of Sessions house as per the Preferred Option in a steady state, the Council stands to save a total of 569.08 tonnes of CO₂e a year (based on 23/24 consumption data).

Financial and Value for Money Assessment of Options

Relevant figures in the financial analysis for the preferred option to dispose of Sessions House in its

entirety, have been updated to reflect the required phasing of spend and delivery of revenue saving. It should be noted that any receipt that is achieved from the disposal is not earmarked against this project or netted off from the capital figures.

The updated financial information identifies that retention of Sessions House C and D Blocks plus the use of Invicta House, now exceeds the allocation of £20m capital budget (anticipated value £22.42m) funded by prudential borrowing for the Strategic Office Estate, agreed at County Council as part of the 2023-24 capital programme, and on this basis no longer meets the pass/fail evaluation criteria. This option also excludes any enhanced improvement works to Invicta House (i.e. Mechanical and Electrical System replacements) and Sessions House (i.e. no accessibility works, no new reception, no improvement works generally throughout spaces, or to the Council Chamber), which would only add to the costs. On this basis an option that retains Sessions House (option 3 in the business case) has been discounted. The preferred option as per the key decision (option 5 in the business case) to retain and consolidate into Invicta House and enhance its utilisation, has been developed to RIBA Stage 2 with an enhanced scope of works to accommodate a full refurbishment and upgrade of the accommodation (scope 1 and 2). The proposed scheme, with allowance for limited critical condition works necessary within Sessions House in order to accommodate the temporary decant of staff from Invicta House, has an estimated total project cost of £18.27m. Summary of cost build up as follows:

Expenditure to date £2.49m

Invicta House works (Scope 1 & 2) (Inclusive of construction contingency, fees etc) £13.16m

Temporary works to Sessions House to facilitate Decant £0.90m

Basement propping & rooflight works £0.85m

Programme Contingency £0.87m

Council Chamber Excluded (Subject to additional funding if required)

Total £18.27m

The preferred option as detailed in this paper is deliverable within the approved £20m capital budget, as well as delivering an annual revenue saving of £1.67m at the point of completion of all works and consolidation into Invicta House. This is in excess of the £1m revenue savings target within the MTFP for 2027-28 badged against the review of the Office Estate.

Although consideration has been given to the inclusion of a new Council Chamber provision within Invicta House to demonstrate how this could be accommodated if identified as a later requirement of the accommodation, this is not included within the current scope (Scope 1 and 2) or the existing £20m capital budget provision.

It should be noted that if Members decide in time to add a Council Chamber to Invicta House, this will need to be a separate bid for prudential borrowing within the capital programme at that time.

The capital budget for the project was reduced to £20m in October 2022 and agreed by full Council in February 2023. Following the key decision in September 2023 a further marketing exercise was undertaken which is set out in the exempt appendix.

Following the marketing exercise, bids were only received for the disposal of the whole of sessions. A preferred bidder has been appointed and whilst risks remain in the conclusion of the disposal, this is making good progress, and the Council is seeking to exchange contracts in the first quarter of 2025 and

complete the disposal by the Summer 2025.

The option to retain Sessions House Block C and D (Option 3 in the business case) exceeds the £20m capital budget, and additionally no bids were received in relation to the part disposal of sessions house, and this option is therefore discounted.

The preferred option as per the key decision to consolidate and enhance use of Invicta House (along with disposal of Sessions House) has been further developed to accommodate KCC Members, the Corporate Management Team CMT), and other supporting officers from Sessions House (scope 1 and 2). The proposed Scheme has a RIBA Stage 2 budget of £14.91m (Excluding: project contingency £0.87m, Costs to date £2.49m) for the works in Invicta and the associated decant, and therefore falls within the agreed MTFP capital budget. The revenue analysis indicated that when in steady state the revenue savings are estimated at £1.67m compared to the MTFP target of £1m. Opportunity exists to utilise Sessions House Block A for temporary decant prior to disposal with vacant possession.

This EQIA Screening has been completed and found that there is a limited negative impact on protected characteristics.

Adverse Equality Impact Rating: Low

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

Yes

It is possible to get the data in a timely and cost effective way?

Yes

Is there national evidence/data that you can use?

Yes

Have you consulted with stakeholders?

Yes

Who have you involved, consulted and engaged with?

Members
Strategic Reset Programme Board
Corporate Management team
Officers across the Council

Has there been a previous Equality Analysis (EQIA) in the last 3 years?

Yes

Do you have evidence that can help you understand the potential impact of your activity?

Yes

Section C – Impact

Who may be impacted by the activity?

Service Users/clients

Service users/clients

Staff

No

Residents/Communities/Citizens

No

Are there any positive impacts for all or any of the protected groups as a result of the activity that you

are doing?
Yes
Details of Positive Impacts
Preferred Option results in utilising the modern office (Invicta House) for civic function and continued staff base.
To better understand the current condition of the building and essential works required, KCC commissioned a Condition Survey and has taken a position that all works deemed to be essential in the short-term of 1-5 years (classified in the Condition Survey as Red and Amber works) must be delivered .
The current SHQ estate is not fit for purpose and therefore the recommended option completes backlog maintenance works to ensure the building meets KCC's minimum requirements for Warm, Safe & Dry.
The temporary works in Session House will allow KCC to fully refurbished Invicta House, this will be a temporary location for 18months and keeps having a SHQ based in Maidstone as it has good accessibility links (train, bus, town centre location, parking).
KCC has committed to being carbon neutral by 2030, given the revised financial constraints and a maximum capped budget of £20m, the reduction of the KCC carbon footprint can only be improved through this programme via a reduction in the estate footprint. Due to the size of the estate and the large building footprint along with the inefficiencies of operating out of some of the current buildings, the current estate, including its office estate, accounts for 46% of the current total emissions that KCC produces.
Negative impacts and Mitigating Actions
19. Negative Impacts and Mitigating actions for Age
Are there negative impacts for age?
No
Details of negative impacts for Age
Not Applicable
Mitigating Actions for Age
Not Applicable
Responsible Officer for Mitigating Actions – Age
Not Applicable
20. Negative impacts and Mitigating actions for Disability
Are there negative impacts for Disability?
Yes
Details of Negative Impacts for Disability
Reduce number of desks available at Invicta House which may mean some staff could be displaced to other offices which could impact on staff who may find it difficult to travel to other offices
Mitigating actions for Disability
KCC will continue to support staff and prioritise spaces in Invicta for those staff that would find it difficult to travel to other offices.
Responsible Officer for Disability
Joanne Taylor
21. Negative Impacts and Mitigating actions for Sex
Are there negative impacts for Sex
No
Details of negative impacts for Sex
Not Applicable
Mitigating actions for Sex
Not Applicable
Responsible Officer for Sex

Not Applicable
22. Negative Impacts and Mitigating actions for Gender identity/transgender
Are there negative impacts for Gender identity/transgender
No
Negative impacts for Gender identity/transgender
Not Applicable
Mitigating actions for Gender identity/transgender
Not Applicable
Responsible Officer for mitigating actions for Gender identity/transgender
Not Applicable
23. Negative impacts and Mitigating actions for Race
Are there negative impacts for Race
No
Negative impacts for Race
Not Applicable
Mitigating actions for Race
Not Applicable
Responsible Officer for mitigating actions for Race
Not Applicable
24. Negative impacts and Mitigating actions for Religion and belief
Are there negative impacts for Religion and belief
No
Negative impacts for Religion and belief
Not Applicable
Mitigating actions for Religion and belief
Not Applicable
Responsible Officer for mitigating actions for Religion and Belief
Not Applicable
25. Negative impacts and Mitigating actions for Sexual Orientation
Are there negative impacts for Sexual Orientation
No
Negative impacts for Sexual Orientation
Not Applicable
Mitigating actions for Sexual Orientation
Not Applicable
Responsible Officer for mitigating actions for Sexual Orientation
Not Applicable
26. Negative impacts and Mitigating actions for Pregnancy and Maternity
Are there negative impacts for Pregnancy and Maternity
No
Negative impacts for Pregnancy and Maternity
Not Applicable
Mitigating actions for Pregnancy and Maternity
Not Applicable
Responsible Officer for mitigating actions for Pregnancy and Maternity
Not Applicable
27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships
Are there negative impacts for Marriage and Civil Partnerships
No
Negative impacts for Marriage and Civil Partnerships

Not Applicable
Mitigating actions for Marriage and Civil Partnerships
Not Applicable
Responsible Officer for Marriage and Civil Partnerships
Not Applicable
28. Negative impacts and Mitigating actions for Carer's responsibilities
Are there negative impacts for Carer's responsibilities
No
Negative impacts for Carer's responsibilities
Not Applicable
Mitigating actions for Carer's responsibilities
Not Applicable
Responsible Officer for Carer's responsibilities
Not Applicable