

Decision title

Union Street – Space Sufficiency Review 2019

Recommendation by
Assistant Director, Property

Decision Number
LFC-0301x-D

Protective marking: **OFFICIAL**
Publication status: Published with redactions

Summary

Since the conclusion of the last space review and re-stack of the building, the Property department has been approached by several departments, as well as some external organisations (100 Resilient Cities and the team responding to the Dame Judith Hackitt Review team) for desks within Union Street. The current number of additional requests received during 2019 was 150 desks from 14 different parties up to the beginning of December 2019.

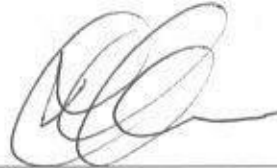
Report LFC-0301x sets out the existing occupancy arrangements at Union Street, discusses the current space allocation issues, and proposes recommendations to the LFC for decision in alignment with the deliverables for Property in the LFB transformation strategy plan.

Decision

That the London Fire Commissioner agrees:

1. That the Head of Property progresses Option A as detailed in report LFC-0301x which includes undertaking urgent current office relocations within Union Street alongside a wider review of the ways of working in headquarters which would be led by an external expert consultancy.
2. That priority be given to departmental requests rather than income from tenants, para 26 of report LFC-0301x refers.
3. Put requests on hold and communication to all Heads of Service that until the proposed office reorganisation is agreed by the Commissioner future space requests are managed using agile working or by utilising the proposed hot desking/project areas in the proposal (see point 3 above).

Richard Mills
Deputy London Fire Commissioner



Date 15/2/20

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LONDON FIRE BRIGADE

Report title

Union Street – Space Sufficiency Review 2019

Report to

Corporate Services DB
Commissioner's Board
Deputy Mayor's Fire and Resilience Board
London Fire Commissioner

Date

21st January 2020
29th January 2020
11th February 2020

Report by

Assistant Director, Property

Report number

LFC-0301x

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Summary

Since the conclusion of the last space review and re-stack of the building, the Property department has been approached by several LFC departments, as well as some external organisations (100 Resilient Cities and The Hackitt review team) for desks within Union Street. The current number of additional requests received during 2019 was 150 desks from 14 different parties up to the beginning of December 2019 .

This report sets out the existing occupancy arrangements at Union Street, discusses the current space allocation issues, and proposes recommendations to the LFC for decision in alignment with the deliverables for Property in the LFB transformation strategy plan.

Recommended decisions

That the London Fire Commissioner agrees:

1. That the Head of Property progress option A as detailed below which includes undertaking urgent current office relocations within Union Street alongside a wider review of the LFB ways of working in their head quarters which would be led by an external expert consultancy.
2. That priority be given to LFC departmental requests rather than income from tenants, para 26 refers.
3. Put requests on hold and communication to all Heads of Service that until the proposed office reorganisation is agreed by the Commissioner future space requests are managed using agile working or by utilising the proposed hot desking/project areas in the proposal (see point 3 above)

Background

1. In 2014/15 following a Top Management Review a space sufficiency survey was undertaken, with a recommendation to restack and utilise the available lettable area more efficiently, this was undertaken in 2016/17 through both the space rationalisation project and the workplace

improvement project (WIP) at a cost [REDACTED] The current lease for Union Street officers expires on 18th March 2027.

2. The 2016/17 WIP introduced agile working to the Brigade Union Street HQ offices on a basis of 4 desks for every 5 staff. A key benefit of agile working was the ability for the Brigade to offset its HQ rental costs through increased income generated from sub-letting unused space.
3. Since the completion of WIP 16/17 Departments have evolved further and the current departmental stacking does not reflect the current departmental structures. This has resulted in some departments being split, and added pressures of staff numbers increasing or decreasing.
4. Further to the above , Operational Resilience have requested to be relocated from the basement to the third floor given their particular operational function. Presently, they have communication issues due to the lack of a mobile signal within their current area. They have identified that there are significant benefits in Operational Resilience being physically close to the Corporate Management suite for Business Continuity and Commissioner Group activity during major/critical events.

Space availability

5. Table (1) identifies Departmental HoS requests and a synopsis of their business case supporting their bid. The table identifies where additional desks have already been supplied to HoS..

Table 1 –additional desks request by departments in 2019

Departmental HoS	Additional Desks	Synopsis of business requirements driving increased space allocation.
Corporate Portfolio Office	5	New team of 8 created. 3 additional desks already supplied by using other departments areas - 5 still required.
Training and Assurance - Team	4	Additional personnel Training and Performance Team.
H&S Grenfell additional staff	4	Additional Grenfell accident and investigation H&S Team
Information and technology	20	ICT team growth. This has resulted in an increase in the staffing establishment across many ICT. Due to the nature of the work, ICT have a large number of fixed desks with specialist ICT equipment. Around 40 per cent of the ICT staff have fixed workstations and this impacts negatively on the 8/10 desk allocation as the need to work agilely isn't shared evenly across the department.
General Counsel Grenfell Team	4	Increase of Legal staff due to the Grenfell enquiry 4 additional staff.
MOPAC	4	MOPAC audit team enquired as to whether we could offer an additional 4 desks in January 2018, at the time this request could not be met but they have asked us to consider them in any future restack.
Operational Resilience relocation to 3 rd Floor	9	[REDACTED]

		<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
100 RC Staff	6	Request from GLA for 100 RC team to be located within Union Street
People Services	4	The team is currently split into two areas which means that the team does not work efficiently. Proposal to relocate teams into one area on the 2 nd floor Union Street. Currently they have 69 staff and 50 desks allocated
Hackitt Team	10	Hackitt Review team
Fire Safety additional desk	56	<p>Additional training facility required would include sufficient IT for 12 work stations for admin training and application training for Inspecting Officers, a flexible layout for classroom style or horseshoe style training for 16 people and larger tables for plans etc in addition to the usual large presentation screen/smart board. The 16 person size would permit us to run our external courses more efficiently.</p> <p>Community Safety require additional 4 desks.</p> <p>Central Teams additional 18 desks these cannot be agile working due to a team who respond to building plans.</p> <p>Enforcement 11 additional desks. 2 extra cupboards (or a dedicated lockable secure evidence store) and 12 extra lockers. An IT suite/area we can play CCTV and look at fatal fire photos.</p> <p>NFCC 6 desks for BSP team.</p>
Finance	4	Additional desks required through the systems replacement project and centralising business partners/pension demands Finance staff establishment was 31 staff for which there were 28 desks allocated. Since then the establishment has grown to 37 including 4 MOPAC desks. The majority of the work undertaken is confidential and the teams need to work together. The majority of the work is currently paper based and does not lend itself to agile or home working.
Property Department	10	Property Department are undergoing expansion due to the current integrator service with KBR coming to an end. The number of staff will increase by one HoS who will require an office and approximately 15 additional staff.

6. Additional space requirement of 1,386 m² using the 2017 agile space allocation of 9 m² per desk/person including a provision for circulation and storage space is required to facilitate all the additional requirements of Table 1. (*Appendix A, Table (2)*).

Agile working

7. Agile working was introduced at Union Street HQ Offices in 2014/15 as part of the workplace improvement project. The outcome was to sub-let the equivalent of 35% of the building to tenants and introduce agile working on the basis of 4 desk for every 5 staff .
8. A home working policy is currently being developed which will supply guidance on home working and the requirements that staff have to meet to be permitted to work from home. Consultation on the new policy proposals will be undertaken in due course.
9. There have been a few examples where 3 to 5 desk ratio has been adopted (DCLG were introducing the 3 to 5 ratio in Autumn 2016 after they moved into the new offices in Marsham Street), which is a further desk reduction of one. *Appendix A, Table(3)* shows that the current 957 staff have 766 desks. A further increase in the agile working ratio to (3 to 5) decreases the number of desks required by 192. This represents an area saving of 1,728 m².
10. It should be noted that the GLA is currently reviewing the possibility of aligning the GLA member departments into a centralised office estate. This project highlights that a **critical dependency** for flexible and agile working is the availability of mobile hardware for LFB Union Street Staff including laptops, smart devices and associated technology. [REDACTED]

Current Leasing arrangements

11. *Appendix A, Table 4* identifies the tenants, the areas sub let, the lease term and the income received, with *Appendix A, Table (5)* shows the income versus rent paid by the Brigade over the last five years, and the percentage of rent offset from income.
12. The London Travel Watch (LTW) and the London Waste Recycling Board (LWRB) gave notice to vacate in 2018. The area formerly occupied by the LTW remains vacant. Additionally, the LAS has given notice to end their tenancy on 31st March 2020. Presently property have not advertised this space pending the outcome of this report.
13. In January 2019 the Greater London Authority (GLA) increased their occupancy and occupied the London waste and recycling (LWRB) area. The GLA now lease this area [REDACTED] per annum, [REDACTED] reduction on previous income as they provided their own fit out.

Potential Opportunities

14. Option A – New option Transformation and Utilisation Consultant and relocation of Operational Resilience – engage a specialist consultant to review the existing use and office design with the aim to create agile and open working areas for all departments incorporating the Commissioner's vision for the new transformation of the London Fire Brigade. London Ambulance and London Travel Watch area is returned to the LFC, Operational Resilience is relocated to the LAS area, Fire Safety use the LTW area as an interim training room, the existing basement gym is extended in the LAS Pink Room in the basement. Any additional space may be converted to meeting rooms and offices for allocation at the discretion of LFB Property. Temporary project space will be implemented in the vacated basement area. All other departments requests for additional desks space or relocations of teams are placed on hold until the utilisation/transformation review has been completed.

15. Option B – undertake a restack of the building based on the existing ways of working on the basis of one of the 8 options below:
16. Option B1 – Increase Agile Working to 3 to 5 - No changes to existing layout, increase agile working to 3 to 5 accommodates 1,240 staff (increase of 280) existing single use offices and CMT suite stays the same. This option reduces any future potential collaborations projects and does not address the need to relocate Operational Resilience or create any additional training facilities. Continue the leasing the available area occupied (London Ambulance Service and Travel Watch area), this will leave existing Departmental HoS with their current space allocation.
17. Option B2 - Increased Agile working to 3 to 5- Para 6 details that 1,386 m² of additional space is required to accommodate all departments growth plans. The area currently leased to the London Ambulance Service and Travel Watch is equivalent to 849 m² and therefore does not accommodate the full 150 additional desks. Increased Agile working to 3 to 5 - and utilise the London Ambulance and Travel Watch as smart working hubs. Increasing desks by 129. Accommodates 1,369 staff (increase of 369). This option does not address the need to relocate Operational Resilience or create any additional training facilities.
18. Option B3 - Return the London Ambulance and Travel Watch area to LFC – Agile Working ratio to remain 4 to 5 relocate Property to the London ambulance area and use the Travel Watch to relocate General Counsel Department, relocate People Services to one area and remainder of the London Ambulance area as an overspill area for use by other departments as smart working hubs Relocate Operational Resilience to the third floor using the basement area as a further overspill area for training suite. This option supports the additional growth and any future growth in staff and also offers flexibility in the future collaboration projects. The introduction of 3 to 5 agile working can be introduced softly allowing for the development and consultation process for the Home Working Policy. As well as deliver culture and behaviour change to support a more effective, productive and flexible working environment.
19. Option B4 - Rental of an additional Premises - officers discussed the option of renting additional offices of at least 1,386 m² the approximate cost would be circa [REDACTED], with a potential fit out cost of [REDACTED]. **Although this option would resolve current space issue, the cost is considered excessive and is therefore discounted.**
20. Option B5 - Open plan working and formation of basement meeting rooms – Property Officers have investigated the option of a total open plan working environment this would require the London Ambulance Service and London Travel Watch to be returned to LFC use, all meeting rooms and offices on each floor (1st 2nd and 3rd) would be removed. The basement area offices and part of the basement restaurant seating area would be formed into meeting rooms. This option although increases the working desk area, creates its own issues, the removal of the Senior Management offices would increase the demand of the reduced number of meeting rooms. It was therefore decided that this was not a viable option.
21. Option B6 – Increased Agile Working 3 to 5 at Union Street, relocate Operational Resilience to Merton LOC- Relocate Operational Resilience to Merton LOC, a consultant will be required to complete a feasibility for these works and there is no guarantee that this suggestion is viable. The impact to the current users will be reduced size and existing layout of the control room removing the currently flexibility and use, remove their training suite and increase office occupancy, and will require the control operations to be moved to Stratford Fall back for the extended period of time whilst works are being completed. Merton LOC has limited available car parking area, which is in high demand from the current building user, Operational Resilience will require parking areas for the 6 operational vehicles, as well as spaces for the operational officers, the current allocation will not accommodate this. Operational Resilience

area at Union Street to be used as a training suite and meetings rooms. Property Officers have reviewed this option and believe that by creating available working desk areas at Union Street, the current accommodation and facilities available to the staff located at Merton LOC will be reduced and may have an impact on the running of this facility. It was therefore decided that this was not a viable option.

22. Option B7- Return the London Ambulance and London Travel Watch area to LFB - relocate Procurement and Property to the LAS area, relocate General Counsel to the London Travel Watch Area and extend the IT area into the space created by removing meeting room 1-04. The spare desks in the LAS area will be agile working available for all staff. Relocate People service into the General counsel vacant area, which will also address training and finance requests. Relocate Operational Resilience to the vacant far end of the Property and Procurement area, extend Fire safety into the remaining vacant 3rd floor area. By changing the layout and removal of storage cabinets in the H&S Area and Corporate portfolio area the additional desks can be accommodated. The basement area vacated by Operational Resilience can be utilised to create flexible projects and meeting space which would be allocated in part to the Hackitt Team in the first instance. It may also be an option to, relocate the MOPAC and 100 RC Staff into this area. The above changes will also allow for the existing basement gym to be extended into the LAS Pink Room, offering flexibility for the ground floor gym to be used for work out classes. This options addressing the current requests for all additional space, as well as offering improved facilities for all staff and future growth bids.
23. Option B8-- Return the London Ambulance and London Travel Watch area to LFC - relocate Procurement and Property to the LAS area, relocate General Counsel to the London Travel Watch Area and extend the IT area into the space created by removing meeting room 1-04. The spare desks in the LAS area will be agile working available for all staff. Relocate People service into the General counsel vacant area, which will also address training and finance requests. Extend Fire safety into the 3rd floor area, with a dedicated Fire Safety training suite. By changing the layout and removal of storage cabinets in the H&S Area and Corporate portfolio area the additional desks can be accommodated. Relocate the print room to the vacated LAS Pink Room, extend the existing gym into the pink area, Relocate Operational Resilience to the print room area and small gym area. Reduce the size of the post room. The basement area vacated by Operational Resilience can be utilised to accommodate the requests from the Hackitt Team, relocate the MOPAC and 100 RC Staff and also create a large agile working area. The area in the basement area that is currently used for agile working is to be created into open meeting/breakout booths.

In addition to the options above it should be noted that there is a review of the reception area planned for Union Street due to concerns regarding the current security of this property.

Further details on this are covered in a separate project however if the security project timelines can be aligned to the Union Street Project, Property would recommend that changes to the reception area are included in this project to allow a holistic view of this premises.

24. This paper does not seek approval to incur spend on the fabric of the building due to the recent investment into the air handling system. This paper assumes the building can continue to support all occupants to the required standard. However the reconfiguration of the property should not be progressed without a current separate assessment of the condition of the property. This is being commissioned and can be undertaken in parallel with the consultancy advice recommended in this paper.

Future space allocation

25. Presently there is no additional space available in Union Street for use by LFC staff, allowing no expansion or formation of new teams. If option 9 A is accepted, this will address the current urgent additional space requests received in 2019 and will allow the Head of Property to complete transformation changes and modernisation in the work place . A decision is now required by the LFC that the loss rental income from London Travel Watch and LAS is approved, along with an acknowledgement that there will be a reduction in rental income which will result in a substantial LFC revenue expenditure growth bid.
26. There is currently no identified methodology for the prioritisation of requests and as such Property staff find themselves not able to effectively manage space requests from the Brigade. Additional allocations have been dealt with previously on a 'as and when' possible basis with desks provided where possible, requests have also been refused by property staff where it has been physically impossible to provide additional desks. This position has now reached a critical situation with so many requests from many departments arriving at the same time and a new methodology now needs to be agreed as to what request takes priority. If option A is accepted, approval is sought from the Commissioner for the reintroduction of a paperless office, that the agile working policy is reinforced, and that the filing requirements and space allocated is reviewed for each Department.
27. A suggested recommendation is that the Building User Group is re invigorated with further terms of reference for agreeing the allocation of additional space. However, the user group was not entirely successful during the WIP process, as individual departments predisposition often took precedence over the strategic picture. This would need to be managed effectively to be successful and may require further additional LFC governance to be issued to the Head of Property, to allocate space or recover unused space for use by other Departments.

Finance comments

28. This report sets out two options with a further 8 sub options regarding the current space allocation issues within Union Street, with the recommendation that option seven is progressed through the use of a specialist consultant. The cost of the consultant is forecast ██████████ to be incurred in 2020/21. This additional growth did not form part of the budget submission to the Mayor and if approved will be included as part of the final March 2020/21 LFC Budget report.
29. This recommendation proposes that priority is given to LFC departmental requests for space rather than tenants. This would mean that the space provided for the LAS and LTW is returned to LFB use, which has previously provided income of ██████████ annually to the LFC. The 2020/21 budget submission already included a reduction in income ██████████ annually, so if recommendation 2 is agreed this will result in a further reduction in income of ██████████ annually, which if approved will also be included as part of the final March 2020/21 LFC Budget report.

Workforce comments

30. The proposals when approved will offer an improved and flexible working environment for all staff. Consultation with Union Representatives and a working group committee will be completed once a consultant has been appointed.

Legal comments

31. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime

Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.

32. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").
33. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of ██████████ or above as identified in accordance with normal accounting practices...". If Option 7 is approved, then the Commissioner will need to commit substantial expenditure to facilitate the reorganisation and space rationalisation works.
34. The statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the Fire and Rescue Services Act 2004 ("FRSA 2004"). Section 7 (2)(a) FRSA 2004 the Commissioner has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting and section 5A allows the Commissioner to procure personnel, services and equipment they consider appropriate for purposes incidental or indirectly incidental to their functional purposes. The office accommodation in Headquarters building is required as an incidental function.

Sustainability implications

35. There are no sustainability implications. All waste arising from works is to be removed by a licensed waste carrier and disposed of at a permitted facility. The Contractor is to supply all legally compliant signed waste transfer notes and waste consignment notes to the Authority

Equalities implications

36. Sector Equality Duty applies to the London Fire Brigade when it makes decisions. The Public The duty requires us to have regard to the need to:
 - a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
 - b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - c) Foster good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
37. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
38. An important aspect of these works is that they will be designed to incorporate measures that include people with protected characteristics, ensuring compliance with the Equality Act 2010.
39. Additionally, appointed contractors will be required to comply with The Equality Act 2010 and associated LFC policies/protocols in respect of any accessibility considerations during or after

the works, including the provision of temporary accessibility ingress/egress required during the duration of these works

List of Appendices

Appendix	Title	Protective Marking
1.	Tables 1 to 4	None

Appendix 1 – Tables

Table 1 –Departmental Space requirements (m²)

Departmental HoS	Existing desk space 2017	Additional space Requirement	Total space requirement
Corporate Portfolio Office	0	45	45
Training and Assurance Team	522	36	558
H&S Grenfell additional staff	108	36	144
Information and technology	954	180	1134
General Counsel Grenfell Team	252	27	279
MOPAC	0	36	36
Operational Resilience relocation to 3 rd Floor	333	81	414
100 RC Staff	0	54	54
People Services	504	36	540
Hackitt Team	0	90	90
Fire Safety additional desk	1035	504	1539
Finance	252	72	324
Property Department	360	144	504
Total	4320	1341	5661

Table (2) Agile working desk requirements.

Department	Team	No of Staff	Desks requirement 4-5 ratio	Desks requirement 3 - 5 ratio
Safety & Assurance		73	58	44
Ops	Central Ops/Admin	31	25	19
Ops	Operational Resilience	46	37	28
Ops Total		150	120	90
Fire Safety	FSR	104	83	62
Fire Safety	CS	40	32	24
Fire Safety total		144	115	86
PS/HR		144	115	86
PS Training		87	70	52
PS total		231	185	139
Finance	Finance	15	12	9
Finance	MOPAC	15	12	9
Finance total		30	24	18
IT	ICT	133	106	80
IT total		133	106	80
Procurement	Procurement	48	38	29
SP now SR	SP inc NFCC	51	41	31
Legal	General Counsels	33	26	20
Comms	Comms	35	28	21
TSS	Property & Fleet	65	52	39
CMS	CMS	22	18	13
Grenfell		15	12	9
Total		269	215	161
Building Total		957	766	574

Table 3- Tenants Leasing information

Tenant	Leased Area (sq ft)		Lease details	Location
London waste and recycling board	1,200		Lease began 30/6/17, gave notice to terminate on 5/10/18	Corner of West 1st Floor
London Travel Watch	1818		Lease began 14/6/17, gave notice to terminate and vacated on 30/11/18.	North East corner of 1st floor
London Ambulance Service	7,319		Current lease 25/12/14 expires 15/3/27. Gave notice to vacate on the 31/3/2020	North wing 1st floor and part of basement
Greater London Authority	12,800		Lease began 14/8/17 to 31/3/2021	East and West wing ground floor
Greater London Authority	1,200		Lease began 4/2/19 to 31/3/2021	Corner of West 1st Floor
Local Pensions Partnership	12,514		Lease began 2/11/18 to 1/11/20	Part of 2nd floor West and North wing of 2nd floor

Table 4 - percentage of rent offset by income

Year	Income from tenants	Rent paid to Landlord	% of rent subsidised from tenant income
18/19	3,091,497	4,550,000	68%
17/18	2,968,987	4,550,000	65%
16/17	2,038,876	4,550,000	45%
15/16	1,968,552	3,398,975	58%
14/15	1,056,165	3,015,300	35%