

Business case – Office Space

The purpose of this paper is to provide an overview of the rationale and need to move to larger offices to accommodate ERW's workforce. The paper will explain the efficiencies and added value to enable ERW to operate and work effectively to deliver the Business Plan priorities.

The proposal is to move offices and lease from a choice of two different but suitable office space in Carmarthen, to accommodate all existing staff, including hotdesking for an additional 50 Network Leaders of Learning. By moving offices, it would ensure that all meetings and training events could be held centrally, larger hot desking area for increasing workforce and additional working area for administrative staff.

In accordance with ERW's Health and Safety Policy, a staff room would be a necessity to ensure staff wellbeing. Currently the conditions do not allow sufficient space for lunch breaks and for all staff to have appropriate chairs and large PC monitors.

Currently we have two offices for Managing Director and Senior Management Team (both these offices are also used as small meeting spaces), two offices for a team of administrative staff (including Senior Accountant and Finance Officer), two meeting rooms (maximum of 15 in both meeting rooms) and a hot desking area suitable for 12 members of staff (approximately 2,000 sq feet).

Currently we lease from University of Wales Trinity St David and sub-lease the mezzanine from Theatre Genedlaethol. The expiry date for both of these leases is **March 2018**.

During the 2016-17 academic year, ERW spent a minimum of **£60,632** on room hire within Y Llwyfan and various other venues, including The Village in Swansea and The Halliwell in Carmarthen. Over a 100 days of training had been organised and held last year and the table below provides a breakdown of some of our venue costs

Venue	Cost 2016-17	Cost 2017-18 (to end of September) *
The Village Hotel, Swansea	£36,380.00	£21,427.00
The Halliwell Centre, Carmarthen	£13,336.00	£7,144.00
The Metropole Hotel, Llandrindod	£378.00	£1,229.00
Botanical Garden of Wales, Llanarthne	£640.00	£1,723.00
Y Llwyfan Conference Room, Carmarthen	£9,898.00	£1,120.00
Other – MRC, GJ Centre, Gorseinon, Aberystwyth University,	£10,386	£8,199.00

Lampeter University, Ivy Bush, The Towers, Liberty Stadium, Parc Y Scarletts		
Y Llwyfan Lease	£31,578	£31,578.00
TOTAL	102,598	£72,420

* A further 64 events have been organised until the end of this academic year, however we are in the process of arranging further courses, for example NPQH and HLTA and training for Challenge Advisers and Leaders of Learning. Estimated cost for the next 6 months will be £70,000.

The majority of our events are held in The Village Hotel in Swansea, a tender was submitted and was won as they were the cheapest facility, despite not being in a central location.

We are currently looking at other venues following an invitation to tender for using school premises for Consortium events, meetings and training had been issued. These school premises will support smaller events outside Carmarthen.

Moving forward, ERW's future requirements would be:

- 1 Office for Managing Director
- 6 Offices x 4 people (SMT, Admin)
- Hot desk sufficient for up to 120 people
- Meeting Rooms (mixture of between 10 – 80 capacity)
- Conference Room (capacity of up to 200 people)
- Kitchen for staff and events
- Staff Room
- Reception Area
- Parking

The following options are available to ERW for potential future office space, including the cost for leasing per annum.

Talks with officers from University of Wales Trinity St David have got underway to discuss options of looking at further office space within Y Llwyfan and also any additional space on the Carmarthen campus. Tenant leases are currently being reviewed. However, currently there are no options for ERW at the Llwyfan, Egin (S4C) or other UWTS sites in Carmarthen.

The risks of remaining at Y Llwyfan, with the existing arrangements for holding regional training events, would see an increase of costs and put added pressure on grant funding. The current working arrangements are not suitable for a growing organisation and is detrimental to the wellbeing of staff. Current provisions see staff sharing desks, no monitors for their laptops, inappropriate seating and eating lunch at their desks, due to no staff room or break out rooms.

Option 1:

Land at Parc Pensarn, Pensarn, Carmarthen, SA31 2NG

- 4,000 sq ft with a mezzanine level to utilise the first floor
- Footings have been laid due to another developer withdrawing
- Built within 4 - 6 months once plans have been drawn up
- Design to own needs, incorporating conference room and meeting rooms thus making huge savings on hiring venues
- 10 year lease but could serve notice on the premises after 5 years
- Sufficient car parking for staff and representatives on working groups and training events
- Direct transport links with A48 and rail
- Cost of leasing (excluding utilities) would be **£60,000** per annum
- Offices would need to be furnished

Benefits:

- Enable us to purpose build to own design and hold all events

Risks:

- Still in the planning stage, building needs to be constructed
- Private provider
- Possible delays in building

Option 2:

Welsh Government Offices, Picton Terrace, Carmarthen, SA31 3BT

Welsh Government currently have two floors in the Carmarthen offices available to let. These offices have been newly refurbished and would provide sufficient work space for all ERW employees. In addition, there are a large number of meeting rooms, holding up to 60 people that can be used (included within the lease). As part of the lease ERW could also use for free rooms in other Welsh Government offices across Wales. For example, a conference centre in Aberystwyth which hold up to 80 people can be booked as part of this lease. This also includes:

- Access to car parking
- A secure manned reception
- The second floor that could be used both as hot-desking and as a conference centre
- A canteen that also provide catering for events held in meeting rooms etc
- Open plan offices which would improve agile working and develop a more positive working environment

- Office space for senior leadership team
- A number of professional meeting areas located throughout the building
- Separate access to the building for ERW employees
- VC equipment in all meetings rooms.
- Cost of lease, which will include all utilities including council tax will be £184,928
- At date of writing, quoted price per floor is £92,464, however, if a lease is taken for both floors, this price could be negotiated to a lower rate.

Benefits:

- Meeting rooms in Aberystwyth, Newtown and Swansea could allow for future proofing a flexible working arrangements and potential changes to deployment and employment arrangements.
- Collaboration with known partners

Challenges:

- Additional costs to install IT cabling for internet access and phone line
- Offices would need to be furnished

Recommendations

- That the Joint Committee consider the report and to note the significant risk in remaining at Y Llwyfan.
- That the Joint Committee approve the report and support Option 2 as a way forward.