

Report of	Meeting	Date
Chief Executive	Overview and Scrutiny Committee	3 September 2012

ASSET MANAGEMENT SCRUTINY TASK GROUP – MONITORING REPORT

PURPOSE OF REPORT

- To update members as to the progress and implementation of the strategic principles proposed by the Asset Management Scrutiny Task Group.

RECOMMENDATION(S)

- That the content of the report be noted.

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities		Quality Community Services and Spaces	
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			X

BACKGROUND

- On 6 December 2010 the Overview and Scrutiny Committee received a report from the Asset Management Scrutiny Task Group. The report proposed 13 Strategic Principles which were recommended to the Executive Cabinet for consideration. The principles were not recommendations on specific works, they were intended as a guide to the councils future approach to asset management.
- Executive Cabinet received the report on 17 February 2011 and adopted the recommendations.
- This Committee considered a progress report on the recommendations on 3 January this year.

THE STRATEGIC PRINCIPLES

	Strategic Principle	Progress
4.1	Suggest to the Executive that the principle of reducing three key administrative bases to one, plus depot facility, is pursued as a	Staff Moves The principle of reducing the number of administrative bases

<p>4.3</p> <p>4.5</p> <p>4.7</p>	<p>longer term objective. In the shorter term this would need to be two administrative bases.</p> <p>The medium term vision is to retain Union Street as Council office space, pending an improvement in the market to potentially realise a more significant capital receipt and to link in with any Market Walk redevelopment.</p> <p>A reorganisation of office space at Union Street shows that around 100 additional staff could potentially be accommodated in the building with the reconfiguration of existing space and return to a true open plan style.</p> <p>The 70 office staff currently based at Bengal Street (with no direct link to depot based services) could be relocated to other Council office space – Union Street, the Town Hall or other appropriate council owned sites.</p>	<p>has been adopted. To date Works have been undertaken to Union Street which have enabled the contact centre to be brought together with a newly formed transactional team in an improved office space on the ground floor at the front of Union Street.</p> <p>The Streetscene and Leisure team along with the Director of People and Places have now moved into offices on the first floor of Union Street – partially vacating the offices at Bengal Street.</p> <p>A contract is presently out to tender for the improvement of the rear office space of the ground floor (the old server room and contact centre) and the first floor (Revs and Bens office and IT and Information Management) which will provide office space for the Health Environment and Neighbourhoods team and additional meeting space.</p> <p>A third tranche of works will be added to the contract for the remaining areas to include planning and the central support team. In addition there will be a general programmed of decoration work to the building.</p> <p>Bengal Street Bengal Street has been marketed on a long lease for the whole site with no firm interest. It is currently being marketed for the office space only, with a view to retaining the depot elements.</p>
<p>4.2</p>	<p>The Town Hall should remain as the base for the Council in the town centre and over the longer term should be developed to accommodate more Council office based staff.</p>	<p>-</p>
<p>4.4</p>	<p>Future use or development of the Lancastrian Room will be considered as a separate scrutiny review starting in 2011. Work to date on development options show estimated expenditure of £2million to convert office/meeting room usage and this is not considered to be either affordable or appropriate investment in the current climate.</p>	<p>A separate report will be presented to OnS on this.</p>
<p>4.6</p>	<p>A further 30 staff could be accommodated within the Town Hall. An example has been drawn up by Liberata including modernising</p>	<p>At present there is no need to create more office space within the Town Hall although this is a</p>

	<p>the Council Chamber to create a facility fit for purpose; creating additional office space and more flexible meeting space and although this is at the loss of the Mayors Parlour and Opposition leaders Room these could be relocated.</p>	<p>longer term aim. The Council Chamber is an area under consideration for improvements which would improve the public seating area and IT provision. There are no firm proposals at this time.</p>
4.8	<p>Vacant space in Union Street offices or the Town Hall from the rationalisation of buildings should be marketed for rent to other public and private sector organisation including possibly CCH beyond 2012. Use of the Contact Centre facility by other organisation could be promoted.</p>	<p>LCC and HMRC continue to have a presence within the Union Street offices and there have been further discussions with LCC concerning the further rationalisation of office space within the Chorley area. The Credit Union will also be taking some office space and use of the Cash Office from 5 September this year one day per week.</p>
4.9	<p>The Council should look at marketing the Bengal Street depot site for either sale or rental both as a whole or part site. Planning advice suggests that a similar transport related use or other commercial leisure or retail development would be appropriate.</p>	<p>The Council are in the process of vacating the depot site and the site is one of the potential venues for the proposed free school in Chorley.</p>
4.10	<p>The depot function should be reviewed to ascertain whether it could be run on a reduced operation; run from another site; or relocated in its entirety elsewhere. (relocation options provided)</p>	<p>The depot function continues to be investigated. No final recommendations have been made as yet but a number of sites have been considered and disregarded (including Yarrow Bridge) due to the potential cost or unsuitability. Sharing depot provision with other agencies is also under investigation.</p>
4.11	<p>The Yarrow Bridge site has been investigated as a depot on a smaller scale with possibly some allotment use. Potentially, the whole site may be best suited to allotment provision and the issue of potential allotment provision at this site is being referred to the Allotments Scrutiny Task Group meeting on 25 November 2010.</p>	<p>Although this continues to be under review it is likely that the depot will remain at Bengal Street. This element of the site can be split from the office space (which can be marketed for lease) and improved to make a more serviceable depot area.</p>
4.12	<p>If CCH do not want to continue to occupy Gillibrand Street offices beyond 2012 and other rental opportunities do not generate a sufficient rate of return and as the Council no longer has a use for the building, the site should be marketed for disposal for redevelopment. Planning advice suggests that residential use would be appropriate and the site appears to be particularly suited to a housing development (flats) with car parking. The Gillibrand St site could also be</p>	<p>CCH have now vacated the offices. A lease has been agreed (24 months) for the provision of office space for the probation service whilst their current facility is renewed as part of the Asda development.</p>

	expanded y including part of West Street Car Park if this makes the site more attractive to developers. Age Concern would be relocated from the Gillibrand St site with Council assistance.	
4.13	If rental opportunities do not generate a sufficient rate of return, the White Hart site be marketed for disposal for redevelopment / converted for car parking, potentially with the closure of Mealhouse Lane.	Negotiations are in an advanced stage for the lease of this premises and there is an expectation that the lease will be completed shortly. The Council are undertaking some improvement works to the site and further works will be undertaken by the new tenant. Details will be provided after the conclusion of the lease agreement.

IMPLICATIONS OF REPORT

7. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	X	Customer Services	
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

The comments of the Statutory Finance Officer and Monitoring Officer are reflected within the body of the report.

CHRIS MOISTER
HEAD OF GOVERNANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Chris Moister	5160	17 August 2012	