

Report of	Meeting	Date
Head of Governance	Overview and Scrutiny Committee	8 April 2013

ASSET MANAGEMENT SCRUTINY TASK GROUP – MONITORING REPORT

PURPOSE OF REPORT

- To update Members on the progress of the implementation of the strategic principles established by the Asset Management Scrutiny Task Group.

RECOMMENDATION(S)

- That the report be noted.

Confidential report Please bold as appropriate	Yes	No

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	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 and 3 September last year, this is the final monitoring report which will be produced.

THE STRATEGIC PRINCIPLES

	Strategic Principle	Progress
4.1	Suggest to the Executive that the	The staff at Bengal Street who are not

<p>4.3</p> <p>4.5</p> <p>4.7</p>	<p>principle of reducing three key administrative bases to one, plus depot facility, is pursued as a 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>connected to the proper administration of the Depot have now migrated to Union Street. Whilst there are still some works outstanding at the Union Street offices this shorter term strategic principle (2 administrative bases) has been met. It remains an option to further rationalise to a single site and release the Union Street Offices, however, Market Walks phase II has not been realised at present (4.1, 4.3, 4.5 and 4.7).</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>This remains an option for future redevelopment, but it is not being pursued at this time.</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 O and S Committee dealing with this objective.</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 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</p>	<p>At present there is no need to create more office space within the Town Hall although this is a longer term aim. The Council Chamber has been redecorated and wireless provision is now available for Council related access to the internet and Council servers. The furniture and public seating provision has been reviewed but the cost and the particular layout of the room make beneficial alternatives prohibitive. There are no firm proposals at this</p>

	Room these could be relocated.	time.
4.8	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.	This remains to be an option with LCC, HMRC and The Credit Union having a presence in Union Street. It is recognised however that this building may be “maxed out” and would need significant further investment in order to provide more staffing facilities and space.
4.9	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. 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)	Investigations have demonstrated that moving the depot to another location would prove both costly (due to the facilities currently on site) and difficult to achieve due to the availability of alternative suitable sites. There are advanced discussions with a 3 rd party concerning sharing the site which are currently confidential.
4.10	The Yarrow Bridge site has been investigated as a depot on a smaller scale with possibly some allotment use.	
4.11	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.	
4.12	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 expanded 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	The council have an agreement with Asda concerning the leasing of the building to the probation service. Options for the future use of the building will be brought to the executive cabinet in due course. Sale for residential accommodation is an option, however this area is being masterplanned and it is suggested that it's future use be left in abeyance until that is concluded.

	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	An agreement has been reached with a proposed tenant to reopen the White Hart. The Council are investing in making the building sound due to the neglect of the previous tenant. The re-establishing of this business will enhance the offer of the night time economy and provide jobs in the town centre.

IMPLICATIONS OF REPORT

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

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

COMMENTS OF THE STATUTORY FINANCE OFFICER

9. There are no financial implications in this report.

**CHRIS MOISTER
HEAD OF GOVERNANCE**

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Chris Moister	5160	25 March 2013	***