

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting17th March 2011

1. Title of Item/Report

Building Asset Review - update

2. Record of the Decision

Consideration was given to a report that outlined progress on the EIT review of building assets, and detailed a draft Asset Transfer Strategy for consultation which was intrinsically linked to the review.

The report to Executive Scrutiny Committee on 4 January 2011 set out the aims, principles and baseline information for the EIT Review of Assets. The overall aim of the review was to focus on the Council's building estate to ensure that properties were being utilised efficiently and effectively. This included developing a strategic overview of facilities in the Borough and considering opportunities for rationalisation, re-location and combining of facilities. The potential opportunities linked to any known or planned service developments would also be considered.

The Council owned and operated a significant number of buildings and spent approximately £7m in the management and upkeep of those buildings. There were a range of different management arrangements, and large differences in the condition and the extent of utilisation of those buildings across the estate. A key aspect would be to optimise the use of the buildings and to understand the services delivered in each locality and match the service requirements with the most efficient and appropriate space available.

The review had a target saving of £1m and aimed to:-

- Determine a methodology as to where, why and how the Council chooses to retain and invest in its building stock.
 - Look more closely at the overall (rather than just the department-specific) effectiveness with which building stock is managed – covering issues such as occupancy levels, building efficiency and duplication of function.
- Develop an asset rationalisation plan which could result in asset disposals or transfers to community organisations.

The report contained details of the methodology and structure of the review.

The following criteria was used to assess each of the buildings to decide which buildings to retain and which to vacate and subsequently dispose:-

- . Cost of occupancy
- . Level of occupancy
- . Condition and Suitability (including Accessibility)
- . Potential for disposal and links to Regeneration
- . Potential for development to enable flexible working

Whilst this was a long term programme and would need to be carefully linked to service reviews. It was recommended that the following approach be approved:-

- . Office Accommodation Buildings to be retained and developed (where necessary):-

Municipal Buildings
Bayheath House
Kingsway House
Queensway House
Tithebarn House

The retention of these buildings alone would allow approximately 11,000 sqm of office space

- . Office Accommodation Buildings to be vacated:-

Wrensfield House - Poor condition, demolish & create open space
Alma House (already approved) - Vacation already planned
Billingham Council Offices - Already planned, link to Integrated Health Facility
Gloucester House - Links to Town Centre Regeneration
16 Church Road - Links to Town Centre Regeneration

- . There were a number of other buildings which included an operational service element and a small amount of office accommodation. This would supplement the buildings retained above but further work may also identify rationalisation options in these buildings:-

Ideal House
Stirling House
Nightingale House
Bishopton Lane (Connexions)

Although there may be some up front costs for developing some of the accommodation, the closure of these buildings would save the Council approximately £350,000 per annum, as well as generating potential capital receipts and alleviating significant future maintenance costs. Where appropriate, the decant from buildings would be linked to regeneration activity in order to avoid buildings standing empty for long periods of time.

RESOLVED that:-

1. The rationalisation of office accommodation and decant of buildings as outlined in paragraph 14 of the report be agreed.
2. A period of consultation on the draft Asset Transfer Strategy be agreed.
3. Reasons for the Decision
Update on accommodation strategy & need to consult on draft Asset Transfer Strategy.
4. Alternative Options Considered and Rejected
None
5. Declared (Cabinet Member) Conflicts of Interest
None
6. Details of any Dispensations
Not applicable
7. Date and Time by which Call In must be executed
Midnight on 25 March 2011

Proper Officer
21 March 2011