

Report To: Cabinet

Date of Meeting: 18th February 2014

Lead Member / Officer: Cllr Julian Thompson Hill – Lead Member for Finance & Assets

Report Author: Bryn Williams

Title: Vacation of Ty Nant

1. What is the report about?

1.1 The report outlines the current situation in respect of the vacation of the Ty Nant Offices.

2. What is the reason for making this report?

2.1 A decision is required on whether Cabinet support the decision to vacate Ty Nant with no alternative use identified.

3. What are the Recommendations?

3.1 That Cabinet support and approve the proposal to vacate the Ty Nant building and maintain it in a safe and secure state and to continue marketing the building for lease hold disposal, pending the development of a planning brief to facilitate the long term development plan for the Nant Hall Road Site.

4. Report details.

4.1 On the 30th July 2013 and relating to a report titled 'North Denbighshire Office Accommodation Review', Cabinet approved the vacation of Ty Nant with the proviso that alternative use is found for the building. Cabinet also approved the undertaking of a marketing exercise to lease Ty Nant out on a medium term basis, on the understanding that if a suitable tenant could not be found the matter would be brought back to Cabinet for further consideration (see extract of minutes in Appendix 1).

4.2 In September 2013 Property approached a commercial letting agent in order to ascertain the demand for this type of property in Prestatyn. Ty Nant was formally placed on the open market with a view to let on a medium term basis. To date there has been no meaningful interest.

4.3 Since July 2013 work has been undertaken by officers in Property in trying to establish alternative uses for Ty Nant by Denbighshire County Council. The table below illustrates the findings;

Options Considered	Outcome
Office Accommodation	<ul style="list-style-type: none"> • As a result of the on going Modernisation Programme, the need for this type of use in Ty Nant is decreasing. • In the last twelve months there has been no Service request for office accommodation in the Prestatyn area.
Meeting Facilities	<ul style="list-style-type: none"> • Similarly to office accommodation, the need for meeting facilities in Prestatyn is decreasing. • Studies have been carried out on the utilisation of existing meeting facilities in the north and have shown that losing the two meeting rooms in Ty Nant would not affect the overall provision.
Training Facilities	<ul style="list-style-type: none"> • There is currently no training provision delivered from Ty Nant. • The Authority currently has sufficient established training facilities located throughout the county. • There has been no Service request to locate training facilities in the Prestatyn area.
Corporate Storage	<ul style="list-style-type: none"> • The Corporate Store in Ruthin is adequate for the authorities' needs. • Ty Nant's physical layout does not lend itself well to be used as storage.

4.4 In November the Cash Desk Service relocated from Ty Nant to the new Prestatyn Library and as a result there is now no front facing service at Ty Nant. Work is on going involving; Property, ICT, HR and the relevant Services in developing a relocation plan for the remaining staff as agreed at Cabinet.

5. How does the decision contribute to the Corporate Priorities?

- 5.1 The rationalisation of the Corporate Office Portfolio is directly linked to the Council Priority of Modernisation, Efficiencies and Improved Service Delivery. The Corporate Plan states “We will reduce the cost of services by reducing the amount of office buildings, business travel and other costs such as printing”
- 5.2 The potential development of town centre sites in conjunction with regeneration strategies contributes to the Council’s priority for development of local economies.

6. What will it cost and how will it affect other services?

- 6.1 Approximate costs for relocation have been determined through consultation with all affected services to determine needs, whilst work is on going to determine a final business provisional costs are as follows;

• New furniture	£ 15,000
• Staff storage lockers etc.	£ 5,000
• ICT cabling and port connections	£ 16,000
• Associated electric costs	£ 5,000
• Physical move costs	£ 4,000
• Building Work	£ 10,000
• Disturbance Allowance	£ 17,000

Total £ 72,000

+ 10 % Contingency £ 79,200

It must be noted that the above figures are based on the information that is currently available and have been adjusted up to reflect the worst case scenario. It is anticipated that the overall costs will not exceed the annual running costs of the Ty Nant building (Circa £88K p/a).

The costs of the move will be funded from the spend to save reserve to allow the savings to be realised in 2014/15.

- 6.2 The total running costs for Ty Nant in 2011/12 was £88,558(including NNDR) and it currently has a backlog maintenance of £42,531. If vacated it would cost approximately £10,000 per annum (excluding NNDR) to keep it empty and secure, this is providing there would be no unforeseen costs i.e. storm damage or vandalism etc. The rates are currently £17,854 p.a. but if vacated we would be eligible for 100% relief for the first three months, hence in the first year we would save £65,168 and in the subsequent years the building remained vacant we would save £60,704.
- 6.3 Marketing costs are anticipated to be in the region of £8K and initial planning brief and feasibility costs in the region of £10K for both studies. Feasibility costs will be met by Property.

6.4 Affected services are: Adult Services; Children's Services; Housing Services; Revenues & Benefits, Planning & Public Protection and ICT. Detailed impacts will be determined through service consultation and the application of modernisation principles to specific service delivery areas.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.

7.1 No positive or disproportionately negative impacts are anticipated. Any issues will be identified through staff and service consultations and eliminated/mitigated where possible. EqIA included as Appendix 2.

8. What consultations have been carried out with Scrutiny and others?

8.1 The proposals have been presented at both Rhyl and Prestatyn Member Area Groups. Responses are included in Appendix 3.

8.2 Initial consultations have been undertaken with a number of relevant Heads of Service (Adult Services, Children's Services and Housing Services) together with staff currently located in Ty Nant. Comments/responses are included in Appendix 3.

8.3 Updates are being given to Prestatyn Members at the Member Area Groups.

9. Chief Finance Officer Statement

9.1 As a result of continuing progress on flexible working, the building has become surplus to requirements. Attempts to let it have been unsuccessful, and the building needs to be vacated. Vacating the building does give the Council other opportunities when the building is considered along with the vacant library site and car park.

10. What risks are there and is there anything we can do to reduce them?

10.1 The most prominent risk is if the building remains empty whilst a business plan for the entire site is being formulated. These could include; vandalism, public perception of a Council owned property standing empty.

The actions we can take to address this risk is to continue the marketing exercise and consider any emerging DCC needs for the building.

10.2 As detailed in 6.2, there is a risk of losing out on a potential saving of approximately £60,000 in annual running costs. This is considered as a risk as we would be keeping a building with no operational use identified.

11. Power to make the Decision

11.1 Sections 111,120,123 & 132 of The Local Government Act 1972