

Agenda Item No:

Report No:

Report Title: Operational Buildings

Report To: Cabinet

Date: 6 June 2007

Lead Councillor: Councillor Freeman

Ward(s) Affected: Lewes Castle

Report By: Chief Executive

Contact Officer(s): John Crawford

Purpose of Report:

To seek Cabinet's agreement to further work on the potential vacation and sale of 3a Fisher Street.

Officers Recommendation(s):

- 1 To instruct the District Valuer to give a current valuation of the building on the open market.
 - 2 To test interest in the building through local estate agents.
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Reasons for Recommendations

- 1 To enable the Council to consider the cost benefit analysis of the possibility of relocating staff out of 3a Fisher Street and either selling or leasing the building.

Information

- 2 We have carried out a feasibility study to see if we could reorganise accommodation within Lewes House and Southover House to accommodate the staff who currently work in 3a Fisher Street. The investments we have made in electronic storage will allow substantial users of space, such as Land Charges, to be relocated into a much smaller area.

The current proposal is as follows:

- The Accountancy Team would relocate to Southover House
- The Land Charges Team would relocate to Lewes House
- The Corporate Support Unit that deals with all incoming mail and scanning etc would move out of Southover House to Lewes House
- The Tourism Section would move from 3a Fisher Street to Southover House

- 3 The changes will mean a considerable tightening up of space in all of our buildings and could not be achieved without the change from paper storage to electronic storage.
- 4 The first stage of the feasibility study shows that the staff can be accommodated in those new locations, but there will be some consequential changes in the buildings, re-routing of IT cables etc. We now propose to go into the second phase which is to test all of the costs involved and to balance those costs against the likely capital receipt from the sale of 3a Fisher Street or a rental income.
- 5 In the past, we have had a number of expressions of interest about 3a Fisher Street from a variety of professional practices and we think that the building will find a buyer in the market.

Financial Appraisal

- 6 We have not yet completed the financial appraisal. To do that, we need to ask the District Valuer to give us an up-to-date valuation of the freehold value of the building and, as an alternative, what rent a lease might generate. That financial appraisal will be presented to the next meeting of Cabinet together with all of the costs involved in the proposed move.

Environmental Implications

- 7 I have completed the Environmental Implications questionnaire and this Report is exempt from the requirement because it is a progress report.

Risk Management Implications

- 8 I have completed the risk management questionnaire and this report does not require a risk management assessment because the change/issues covered are not significant in terms of risk.
- 9 There will be a full risk analysis when we present the financial appraisal at the next meeting of the Cabinet.

Background Papers

- 10 The working documents relating to the feasibility study

Appendices

- 11 None