



CABINET – 13TH NOVEMBER 2012

SUBJECT: CHERRY TREE INNOVATION CENTRE, OAKDALE BUSINESS PARK

REPORT BY: DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To consider a proposal to locate the WHQS Delivery Team at the Council owned office building at Oakdale Business Park.

2. LINKS TO STRATEGY

- 2.1 The WHQS Programme is a major investment for the Council over the next few years. The delivery of this programme requires the re-alignment of staff resources and the integrated working that is necessary requires suitable office accommodation.

3. THE REPORT

- 3.1 Cherry Tree Innovation Centre is one of a number of office buildings constructed at Oakdale commissioned by the Economic Development Service approximately six years ago. The scheme was part of a diversification strategy to attract wider employment types to the Oakdale Business Park. Notwithstanding competitive rentals it has been difficult to attract office users due to stiff competition from alternative locations and the very difficult economic climate that has existed since the buildings were constructed. The building has remained vacant since it was first built and the Council continues to incur costs of utility services and business rates.
- 3.2 The building offers good quality accommodation over two floors, approximately 900 sq metres. It was designed to be DDA compliant and includes a lift to the first floor.
- 3.3 A report on the WHQS Investment Strategy has recently been approved by the Caerphilly Homes Task Group/Cabinet Sub-Committee. In order to take forward the investment plan there will be a WHQS Delivery Team. This will bring together 60 to 70 staff from the Housing Service and other parts of the Council's organisation. Suitable accommodation is essential for the necessary physical integration of staff currently located within different buildings. The effectiveness of the team will be impaired if it cannot be brought together in one building, especially as the Delivery Team involves a re-organisation of the existing structure.
- 3.4 The accommodation at Cherry Tree is the ideal size. A provisional layout shows that 78 staff could be accommodated based on the Penallta House open plan type layout together with meeting rooms, a tenants office, and other ancillary facilities. Another benefit of a re-location to Cherry Tree is better accommodation for tenants as their office and meeting room are currently in a portacabin in Tiryberth Depot, which is not DDA compliant.

- 3.5 This proposal will result in the removal of the building from the Council's commercial portfolio, but given the lack of interest following a long period of marketing the availability of the property, and the continuing outlook for limited economic growth, the prospects for securing a tenant in the foreseeable future do not look promising. Delivery of the WHQS is a flagship programme for the Council, which in itself will provide a boost to the local economy and the use of the building to facilitate the delivery of this programme will make good use of a vacant property owned by the Council.

4. EQUALITIES IMPLICATIONS

- 4.1 An Eq1A screening has been completed in accordance with the Council's Equalities Consultation and Monitoring Guidance, and no potential for unlawful discrimination and for low level or minor negative impact have been identified, therefore a full Eq1A has not been carried out. The building was constructed to be DDA compliant and in this respect offers a big improvement over the buildings, which currently house the staff and tenants.

5. FINANCIAL IMPLICATIONS

- 5.1 The building was originally constructed with E.U. grant funding, but is now considered out of the period of any claw back. The Council is continuing to incur costs in keeping the building empty including NNDR.
- 5.2 The budget estimate to undertake the necessary adaptations and fit out the building is £250,000, excluding fees and VAT. The major part of this cost will be IT and telephony. This cost will be funded from the HRA capital programme.
- 5.3 There will be some revenue cost savings on existing buildings, which can be re-directed towards the running costs on Cherry Tree.

6. PERSONNEL IMPLICATIONS

- 6.1 There will be around 70 staff to move to Cherry Tree. The precise number is dependent on ongoing discussions around the organisation structure. Staff are aware that Cherry Tree is the proposed location for the WHQS Delivery Team.

7. CONSULTATIONS

- 7.1 Comments received from consultees have been incorporated within the report.

8. RECOMMENDATIONS

- 8.1 That the use of Cherry Tree as the office base for the WHQS Delivery Team is approved and the cost of the adaptations is met from the HRA. In view of pressure on the timescale for the delivery of WHQS, the adaptations are implemented as soon as practical to expedite the accommodation moves.

9. REASONS FOR THE RECOMMENDATIONS

- 9.1 Suitable accommodation is required to enable the physical integration of staff as part of the new WHQS Delivery Team.

10. STATUTORY POWER

10.1 Local Government Acts. This is a Cabinet function.

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Consultees: Cllr G. Jones, Deputy Leader & Cabinet Member for Housing.
Cllr K. Reynolds, Deputy Leader & Cabinet Member for Corporate Services.
Cllr K. James, Cabinet Member for Regeneration, Planning & Sustainable Development.
Nigel Barnett, Deputy Chief Executive.
Nicole Scammell, Head of Corporate Finance.
Shaun Couzens, Chief Housing Officer.
Colin Jones, Head of Performance & Property Services.
Dan Perkins, Head of Legal Services.
Gareth Hardacre, Head of Workforce & Organisation Development.
Ian McVicar, Group Manager Operations – Asset Based Services (Economic Development)