

<b>Draft Estates Strategy</b>	<b>20<sup>th</sup> September 2016</b>
<b>Corporate Policy and Resources Committee FOR DECISION</b>	

<b>Linkage to Council Strategy (2015-19)</b>	
<b>Strategic Theme</b>	Innovation and Transformation
<b>Outcome</b>	Improved service efficiency
<b>Lead Officer</b>	Stephen McMaw
<b>Cost:</b> (If applicable)	

## 1.0 Background

1.1 At the Corporate Policy and Resources Committee meeting held on 15<sup>th</sup> March 2016, Elected Members agreed high level service function relocation proposals in relation to the Causeway Coast and Glens Borough Council Estates Strategy. Work to develop the detail in relation to relocation proposals has been on going over the summer period. A full report will be presented to the Corporate Policy and Resources Committee in October.

## 2.0 Current Position

2.1 One of the proposals within the Estates Strategy is the relocation of the Planning staff from County Hall to Cloonavin. The Council currently has a two year lease arrangement with the Department for Finance and Personnel (DFP) for County Hall at an annual cost of £46k. This sum is allowed for as part of the Transferring Functions grant. The lease is due for renewal on 31<sup>st</sup> March 2017.

2.2 It has recently come to the attention of the Council, that DFP intend to review the lease and the indication is that the cost of future tenancy will increase substantially. The additional cost would not be met through the Transferring Functions grant but by Council.

2.2 It was originally envisaged that the Planning staff would vacate County Hall by 31<sup>st</sup> March 2017 and relocate to Cloonavin. In preparation for phase 1 of the Estates Strategy, some upgrade work to Riada House will be required and this will be detailed in the report to the Corporate Policy and Resources Committee in October. This work

will mean that it will not be possible to initiate the move of the Planning staff prior to termination of the current County Hall lease. The concern with this situation is the potential increase in cost to Council with extending the lease period for County Hall from 31<sup>st</sup> March 2017 as any increase will be a direct cost to Council as opposed to allowed for within the Transferring Functions Grant.

2.3 A number of recent conversations have taken place with DFP regarding an interim lease arrangement for County Hall and as a result the Council has been offered a six month extension to the current lease within the same terms currently applicable pro rata for the six month period. Any further extension will be subject to re-evaluation of the lease and is likely then to result in an increased cost to Council over and above the Transferring Functions grant allocation.

2.4 It is envisaged that the six month extension will provide adequate opportunity to project manage the relocation of the Planning staff to Cloonavin and the Council will avoid any additional lease costs from a re-evaluation exercise.

2.5 It has been agreed by DFP that a six month lease extension can be formally agreed via the exchange of letters in which the Council will ask for the extension and DFP will respond.

### **Recommendation**

**It is recommended** that the Causeway Coast and Glens Borough Council request a six month lease extension from the Department for Finance and Personnel for County Hall.