



# Ryedale District Council

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**REPORT TO:** North Yorkshire Building Control Partnership Board

**DATE:** 25 January 2012

**REPORTING OFFICER:** Paul Cresswell Director s151

**SUBJECT:** Office Accommodation

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## **1.0 PURPOSE OF REPORT**

**1.1** Members requested that a report be brought to the next meeting outlining the costs of maintaining the Partnership office at Easingwold or transferring back into accommodation at one of the partner Authority's offices.

## **2.0 RECOMMENDATIONS**

**2.1** That the report be noted and no further action taken at the present time.

## **3.0 BACKGROUND**

**3.1** The present office accommodation at Easingwold was taken in September 2007 on a nine year contract following board approval. This contract also included two break clauses, one at three years and one at six years. The timing of these clauses was set to coincide with rent reviews.

**3.2** With the expansion of the Partnership in September 2007 when Hambleton District Council joined and then Scarborough Borough Council in 2008 it was evident that the Partnership's office in Escrick did not have the capacity to accommodate the additional staff coming from these two authorities and to provide a suitable meeting room to hold meetings with architects, developers, training sessions and board meetings.

**3.3** Officers investigated accommodation across the region which was to be of reasonable cost, of sufficient capacity to meet with current and future requirements, was centrally located with ease of access on to a trunk road and allowed officers from the former authorities to travel an equal distance so that no-one was disadvantaged.

**3.4** Since the Partnership was enlarged in 2007/08 eight officers who were previously accommodated at Easingwold have left the Partnership for new employment or through redundancy. This has left spare capacity within the office. However, officers have investigated sub-letting part of the offices to third parties which has proved unsuccessful. Members will be aware that there are several offices on this business park which have been up for sale or to let for approximately two years. Therefore any potential tenants are unlikely other than from within the public sector.

#### **4.0 POLICY CONTEXT**

**4.1** This report impacts on the Partnership's values relating to respecting our employees and responding to their needs and being innovative in all aspects of service delivery and in the use of technology.

#### **5.0 REPORT**

**5.1** The decision to locate the Partnership in Easingwold was based on availability and that strategically it is located in a central position to allow for further expansion with authorities in the west of the county. Richmondshire District Council joined the Partnership in 2010 and discussions are on-going with Harrogate Borough Council and should they join travel distances for officers who will have to be based in the office for plan checking purposes are similar to those for officers currently travelling from Northallerton, Malton and Selby.

**5.2** In relocating the office into one of the partner authority offices consideration has to be given to location (as there will be an increased mileage cost for paragraph E travel which is a payment for officers whose place of work is changed), availability of space, capacity for expansion and relocation costs.

**5.3** The costings set out overleaf are based on relocating to Ryedale District Council's headquarters at Malton as there is the potential of some officer space being made available following a current review of establishment support and discussions with North Yorkshire County Council who occupy a floor in the building.

<b>Easingwold Office</b>		
Rent	£28,020	
Rates	£14,294	
Utilities	£ 6,286	
Total		£48,600 per year
<b>Ryedale District Council</b>		
Office accommodation	£17,409	
Paragraph E mileage	£24,969	
Relocation costs *	£23,000	
Break Clause **	£28,020	
Total		Year 1 £93,398
<b>Ryedale District Council</b>		
Office accommodation	£17,409	
Paragraph E mileage	£24,969	
Total		Years 2 – 4 £42,378

\* Relocation costs are based on 2007 costs

\*\* Break Clause for one year from September 2012

- 5.4** By relocating the Partnership's office to Ryedale District Council in Malton a saving of £6,222 per annum would be made. Based on this saving on the remaining four contract year for the Easingwold office savings of £24,888 would be generated. However when these are offset by the cost of relocation and contract costs which are £51,020 a net loss of £26,132 would be generated from the move.
- 5.5** If the Partnership was to enact the break clause and leave the Easingwold office in September 2013 there would be no penalty to be paid but relocation costs would remain. The savings generated by relocating would be £18,666 offset against the relocation expenses making a net loss of £4,334.
- 5.6** Aside from the financial issues identified above there are a number of other issues members would need to consider in a relocation:
- The Partnership would lose its central location, and the location may be more of an issue should the other Districts join or be considering joining the Partnership.
  - Whilst communication would be key in any move it does increase the risk of losing existing clients through the disruption and the possible message that such a relocation gives out.
  - The future of Ryedale House is being considered with neighbouring partners and it may not provide a long term (5 years+) solution.

- The 2007 relocation costs have been used in the above workings, however it is possible that with the increasing IT issues these costs may be understated.
- It may affect retention of existing staff and potentially recruitment of new staff.

## **6.0 FINANCIAL IMPLICATIONS**

**6.1** As set out above.

## **7.0 LEGAL IMPLICATIONS**

**7.1** Early termination of lease agreement.

## **8.0 RISK ASSESSMENT**

**8.1** The Partnership is established in the office at Easingwold and any further relocation will cause disruption to customers and require all documentation to be altered and reprinted.

## **9.0 CONCLUSION**

**9.1** Although there maybe some benefit in establishing the Partnership's office within a local authority for the simplification of IT systems etc, the overall disruption to staff and the cost of financing the relocation to Ryedale's DC offices together with the other issues identified does not generate a business case for moving. No other Authority has come forward with any potential office accommodation following the discussion and open invitation at the last meeting.

**Background Papers:** None

### **OFFICER CONTACT:**

Please contact Paul Cresswell, Director, Ryedale District Council if you require any further information on the contents of this report. The officer can be contacted on 01653 600666 ext 214, or email [paul.cresswell@ryedale.gov.uk](mailto:paul.cresswell@ryedale.gov.uk)