

Appendix 1 – Options Assessment

Option	Description	Commentary
1	<p>Refurbishment</p> <p>Option 1 considers the necessary improvements and estimated costs of renovating the Wansdyke Business Centre, that could justify the minimum average rental levels.</p>	<p>This option reviews the opportunity to refurbish the accommodation to a higher standard and looks at whether this refurbishment would either attract tenants or increase rent receipts to justify the expenditure required for both the refurbishment, the ongoing maintenance requirements and the current running costs.</p> <p>Providing completely Grade A space in accordance with British Council of Offices standard was not deemed feasible; the space cannot be adapted easily, and the likely demand would not justify the expenditure.</p> <p>The Options Report put forward recommended improvements to three areas:</p> <ul style="list-style-type: none"> • Redecorating the first floor office accommodation and installing LED lighting and artificial cooling on both floors • Upgrading and replacing WCs, introducing a shower and changing room • Recladding the outside of the building to improve the look of the centre • Transfer of business rates liability to the tenants <p>This option also looked at conversion of the large meeting room to increase the lettable area of the premises and thus enable greater income generation.</p> <p>However, this change would put the Wansdyke Business Centre at a disadvantage compared with other serviced office providers in the area that offer meeting room facilities. Leases would have to be on an inclusive basis as the installation of separate utilities for each office unit is not possible.</p>

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<p>2</p>	<p>“Do Nothing”</p> <p>Option 2 assesses likely centre demand at the minimum average rental levels with no major refurbishment taking place, only necessary works.</p>	<p>This option requires a significantly increased rental level per sqft, to become cost neutral (with 85% occupancy), which is not considered to be achievable or realistic based on our research and evidence collected in support of this review.</p> <p>Leases have to be let on an inclusive basis leaving the council exposed to rising costs, particularly energy.</p>
<p>3</p>	<p>Centre Closure and Return to Market</p> <p>Option 3 considers closure of the Wansdyke Business Centre and returning the long leasehold to the market, as office, industrial and warehouse accommodation.</p>	<p>There are two distinct options related to the disposal of the centre.</p> <ol style="list-style-type: none"> 1) Renovate to industrial (B1c, B2, B8) use. This option would incur costs to return the premises to their original use, however disposal via this method is still estimated to generate a net capital receipt. 2) Return the premises to the market, unchanged as offices (B1a). This option would not incur additional costs beyond clearance, cleaning and marketing, and is therefore estimated to generate a greater capital receipt. <p>Section 25 notices have been served and there are now only three tenants remaining who would be assisted in finding accommodation elsewhere.</p>
<p>4</p>	<p>Occupation by Council Staff/Departments</p>	<p>Some renovation works would be required.</p> <p>Would only be regarded as an option if there was insufficient accommodation elsewhere within the Council’s property estate.</p>