

Single Member Cabinet Decision

Executive Forward Plan Reference	E3452
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Wansdyke Business Centre, Midsomer Norton

Decision maker/s	<p>Cllr Mark Roper, Cabinet Member for Economic Development and Regen</p> <p>Cllr Richard Samuel, Cabinet Member for Resources</p>
The Issue	<p>The Wansdyke Business Centre in Midsomer Norton is a serviced office established in 2004 and now managed directly by Bath & North East Somerset Council.</p> <p>The Centre has previously operated a model that requires a significant Council subsidy to continue as a service and continues to be loss-making despite not being staffed at present.</p> <p>Following receipt of professional advice on both lease regularisation and operational management options, if the Centre is to remain in operation significant investment would be required from the Council to upgrade the building and adopt an operational business/serviced office support model that is financially sustainable for the long term.</p> <p>In light of these changes, the Council reviewed options on future of the Centre.</p>
Decision Date	9th March 2023
The decision	<p>The Cabinet Members agree approval of Option 3 - closure of the Wansdyke Business Centre and returning the long leasehold to the market, as office, industrial and warehouse accommodation.</p>
Rationale for decision	<p>The Wansdyke Business Centre is loss-making and requires a subsidy from the Council. If the Centre were to remain in operation significant investment would be required, which in turn would result in rental charges that vastly exceed comparative market rates.</p> <p>The provision of serviced offices or offices for SME's is currently considered to be sufficiently provided for in the private sector in the locality, and no additional Council support in the form of a dedicated building for such purpose is considered necessary. Other business support services are available from the Council.</p> <p>There is no demand from the Council to utilise the offices for additional staffing provision.</p> <p>As a result, and considering the critical lack of supply of</p>

	<p>industrial/warehouse accommodation in Bath & North East Somerset, the decision to approve closure of the Wansdyke Business Centre and return to market as office, industrial and warehouse has been taken.</p>
<p>Financial and budget implications</p>	<p>The current forecast revenue liability of the Centre is approximately £34,000 for 2022/23 (unstaffed). Staffing is deemed necessary to operating the Centre successfully. Were the Council to return staffing the anticipated financial liability of the Centre would worsen, initially in excess of £60,000 per annum before ranging between £41,000 and £58,000 per annum. Closure will remove the risk of losses at a time of high financial stress for the Council.</p> <p>The revenue costs associated with the closure of the Centre can be underwritten by an allocation of £20,000 that can be repaid after the Centre has been disposed of.</p>
<p>Issues considered</p>	<p>Sustainability; Property; Corporate; Other Legal Considerations</p>
<p>Consultation undertaken</p>	<p>Ward Councillor; Cabinet colleagues; Other B&NES Services; Service Users; Section 151 Finance Officer;</p>
<p>How consultation was carried out</p>	<p>Face to face meetings, email, telephone.</p>
<p>Other options considered</p>	<p>Four options have been considered: -</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>Option 2 assesses likely centre demand at the minimum average rental levels with no major refurbishment taking place, only necessary works.</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>Option 4 Occupation by Council Staff/Departments</p> <p>The provision of serviced offices or offices for SME's is currently considered to be sufficiently provided for in the private sector in the locality, and no additional Council support in the form of a dedicated building for such purpose is considered necessary. Other business support services are available from the Council.</p> <p>Options 1 & 2 are therefore discounted and would result in savings of expenditure and resources. Option 4 has been considered, however, there appears to be sufficient property within the Council's corporate property estate to satisfy any requirements for additional offices for administration or other purposes.</p>
<p>Declaration of</p>	<p>None</p>

interest by Cabinet Member(s) for decision:	
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	Yes – Cllr Shaun Hughes is a tenant at the Wansdyke Business Centre and Ward Councillor for Midsomer Norton North, the location of the building.

Name and Signature of Decision Maker/s	<p>Councillor Richard Samuel Deputy Council Leader, Economic Development and Resources</p> <p>Councillor Mark Roper Cabinet Member for Economic Development, Regeneration and Growth Bath and North East Somerset Council</p>
Date of Signature	9 March 2023
Subject to Call-in until 5 Working days have elapsed following publication of the decision	