MTRP Proposal - 18/19 and Beyond - Business Case

Service Area	Regeneration, Investment & Housing
Unique Reference Number	RIH181901
Proposal Title	Asset rationalisation: Information Station
Version	*20/12/2017*
Proposal Summary Description	Asset rationalisation – enabling the National Software Academy (NSA) to remain and further develop within Newport City while increasing utilisation of the Civic Centre and other city centre buildings.
Impact on Performance	None
Impact on FTE Count	None
Impact on other Service Areas	Temporary moving arrangements relating to office moves are likely to have an impact on internal service areas that are based at the Information Station, Central Library and Civic Centre.
Impact on Citizens	Location for point of delivery will change for certain services but levels of service and access to service delivery will not change.
Delegated Decision (Head of Service/Cabinet Member/ Cabinet)	Head of Service
Activity Code	RIH8 Station Buildings

Net Savings (£000's)	*2018/19*	*2019/20*	*2020/21*	*2021/22*
	180			

Implementation Costs (- £000's)	*2018/19*	*2019/20*	*2020/21*	*2021/22*
Revenue – Redundancy/Pension				
Revenue – External consultants				
Revenue - Other				
Capital – Building related	1,500			
Capital – Other				
Implementation Cost - Total	1,500			

Current Position
Newport City Council is the leaseholder of the Information Station, Queensway, Newport, until 2028. Network Rail owns the building. To date, the council has operated the building as a 'Face to Face' contact centre.
Key Objectives and Scope

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1. To retain and develop the growth of the National Software Academy (NSA) within Newport City.
2. Asset rationalisation of key buildings.
3. Greater utilisation of retained buildings owned by the council.

Options considered

1. Continue to lease and occupy the entire five floors of the Information Station building, but this does not rationalise assets , neither does increase use of other city centre buildings or the Civic Centre.

2. To sub-lease three of the five floors to National Software Academy (NSA) for a similar duration as the head lease to Newport City Council.

Recommended Proposal/Option

Lease three floors of the five floors at the Information Station to the National Software Academy (NSA), Cardiff University, in conjunction with Welsh Government.

This is the National Software Academy for Wales and the Information Station has been identified as the most suitable building being close to the railway station

Required Investment

£1,500,000 of capital borrowing repaid over a period of 15 years funded from the revenue saving associated with the project.

High Level Milestones and Timescales

One floor leased to NSA	December 2017
Second and third floors leased to NSA	May 2018

Key Risks/Issues

Risk Description	Risk Score (as per matrix below)	Mitigation Measures
Increased repair and maintenance liability with external organisation (NSA) taking sub-lease from NCC head lease.	16	Suitable facilities management arrangements in place to manage day to day activities and interface.
Implementation of staff moves to the Civic Centre is not met in the timescales.	10	Newport City Council have established a project team to undertake this work and regular meetings and control is in place.

Specific linkage with Future Generation Act requirements

Joint working between the National Software Academy (Cardiff University), Newport City Council and Welsh Government is aimed at generating new businesses that are likely to share premises with, or be located close to, the NSA in order to access the

growing pipeline of highly skilled graduates.

More than 120 different organisations have all actively engaged with the NSA over the last 12-18 months and this is forecast to significantly increase in their larger premises at the Information Station building.

The NSA was set up to develop particular skills in computer software design, product development, entrepreneurial and market development skills. This has been a success as it is considered a centre of excellence and is a boost for the city of Newport. The council would prefer to see the NSA remain in Newport as it demonstrates the city is a place to invest in new business for the long term.

Fairness and Equality Impact Assessment

None.