

WIRRAL COUNCIL

PENSIONS COMMITTEE

27 JUNE 2011

SUBJECT:	CASTLE CHAMBERS, LIVERPOOL REFURBISHMENT FLOOR 6
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to inform Members of the outcome of the recent tendering exercise in respect of refurbishment work to the 6th floor in Castle Chambers, Liverpool which is owned by MPF as part of the direct property investment portfolio.
- 1.2 The tendering exercise was conducted on behalf of MPF by CB Richard Ellis (CBRE).

2.0 RECOMMENDATION

- 2.1 That Members accept the second lowest tender submitted by Denton Associates for refurbishment work at Castle Chambers.

3.0 REASONS FOR RECOMMENDATION

- 3.1 These are set out in the exempt appendix.
- 3.2 A tender for the works was carried out by CB Richard Ellis in preparation for proceeding with the refurbishment work.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 Heads of Terms for a new 10 year lease have been agreed with the proposed tenant whose business has merged with another firm and who is looking to consolidate their existing office space with the intention to relocating to Castle Chambers as soon as possible.
- 4.2 The office suite extends to approximately 4,464 sq. ft. and is currently unoccupied.

- 4.3 The works to be carried out broadly consist of removing asbestos, stripping out existing layout and installing new partitioning, replacing ceilings, replacing windows with doors and redecoration throughout including the balcony.
- 4.4 It was agreed as part of the negotiations that MPF would refurbish the office suite to category A standard whilst the proposed tenant would be responsible for the category B fit out.

5.0 RELEVANT RISKS

- 5.1 Due to the significant level of vacant office space in Liverpool City Centre, MPF and CBRE consider that it is important at this time to focus on minimising the delay before completion of the refurbishment works.
- 5.2 The refurbishment work may be deferred should the potential tenant choose not to proceed with the lease.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 These are set out in the appendix.

7.0 CONSULTATION

- 7.1 None arising from this report

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 None arising from this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 9.1 The basic element of refurbishment costs should be recovered from the last occupiers.

10.0 LEGAL IMPLICATIONS

- 10.1 None arising from this report.

11.0 EQUALITIES IMPLICATIONS

- 11.1 None arising from this report.
- 11.2 Equality Impact Assessment (EIA)
(a) Is an EIA required? No

12.0 CARBON REDUCTION IMPLICATIONS

- 12.1 None arising from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 13.1 None arising from this report.

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APPENDICES

None

REFERENCE MATERIAL

Tender Analysis Report from CB Richard Ellis:

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
None	