

**INFORMATION NOTE: NHDC ASSETS IN HITCHIN**

THE HEAD OF FINANCE, PERFORMANCE AND ASSET MANAGEMENT

**1. INTRODUCTION**

The Chairman of the Hitchin Committee requested an updating report from officers concerning NHDC assets and potential disposals in Hitchin, to include the following:

- NHDC Asset Register covering all council owned assets in the Hitchin area and identifying operational assets.
- The value of assets and amount of income they generate
- Potential assets for disposal in Hitchin
- The assets that will be disposed of first in Hitchin and the timetable for all asset disposals in Hitchin
- The Asset Disposal Strategy
- Any other items of interest regarding assets and disposals in Hitchin
- Legal process regarding ownership of assets, i.e. title etc.

This report follows on from and updates the information provided to Members of the Hitchin Area Committee prior to the meeting held on 10<sup>th</sup> June 2014.

**2. NHDC ASSET REGISTER**

An extract of the NHDC Asset Register for Hitchin is attached at Appendix A. This includes all assets with a post code for the town of Hitchin. The HD references next to property names are the Land Registry title numbers. This register has also been annotated to indicate whether an asset is operated directly by NHDC, e.g. car park; or used to provide a function on behalf of NHDC, e.g. Swim Centre. This is based on the current NHDC information base regarding the portfolio, which may not be 100% accurate.

**3. VALUE OF ASSETS AND INCOME GENERATION**

The Council does not have any plans to dispose of the vast majority of these assets and the valuations held are simply those for Accounting purposes, not an estimate of market value (further summary notes taken from the 2013-14 Annual Statement of Accounts are attached as Appendix B for background information. This Statement of Accounts will be published on the council's website at the end of September 2014); revaluations are undertaken in a five year rolling programme and are often based on replacement cost or existing use value. The Asset Type reference in the Register describes the category within which each asset is recorded in the annual accounts classifications.

With regard to income, overall the Council generates £1 million per annum from all Investment properties across the whole district (much of this comes from ground rents rather than buildings). Less than 20% of this is generated in the Hitchin area, although the individual breakdown is confidential.

#### **4. POTENTIAL ASSETS FOR DISPOSAL**

With regard to the process for considering asset disposals, reports are first taken to Cabinet to confirm the asset is surplus to council service requirements and, if declared surplus and recommendations on the appropriate means of disposal are approved, they are then referred to the relevant Area Committee for any local comment. Should an Area Committee wish to comment, this will be reported back to Cabinet at its next meeting so that Cabinet can consider whether the comment impacts on its decision. This is in accordance with Area Committee Terms of Reference, which include:

- To consider the policies and actions of the Cabinet as to their appropriateness to the needs and aspirations of local communities.

It should be noted that requests to consider how assets may be managed could also initially be put forward by Ward councillors, either directly to Officers, or through Hitchin Area Committee, based on their local knowledge, or by a Community Group interested in a particular council asset.

#### **5. ASSET DISPOSALS IN HITCHIN**

In terms of potential disposals in Hitchin, the following are currently listed on the Forward Plan to be taken to Cabinet:

- Hitchin Museum/Charnwood House – currently scheduled for 23 September 2014 Cabinet;
- Thomas Bellamy House – currently scheduled for 23 September 2014 Cabinet;
- Garrison Court Garages – scheduled for 27 January 2015 Cabinet.

The prime reason for stating “currently” is that the process of undertaking building surveys and assessing the results is in progress. This may take longer than estimated, in which case we would need to move the sites of interest to 16 December, Cabinet. Members will be aware that the NHDC Museum Service is still in occupation of Hitchin Museum/Charnwood House and a date for vacation has yet to be set.

#### **6. ASSETS OF COMMUNITY VALUE**

Members may also be aware that Thomas Bellamy House and Hitchin Museum have both been successfully nominated as “Assets of Community Value”. This means that, if a decision is made to dispose of these assets, this will be publicised by the Council to give any local community groups the opportunity to express an interest and consider raising the funds to make a bid to acquire.

Further information regarding Community Rights is available on the NHDC website under “Community & Living”.

#### **7. ASSET DISPOSAL STRATEGY**

Regarding the updated Asset Disposal Strategy, this is also on the agenda for Cabinet, along with the Community Asset Transfer Policy. This is now scheduled for 23 September Cabinet, and additionally has been called in to the 16 September meeting of the Overview & Scrutiny Committee for review. The Asset Disposal Strategy does note that one of the methods by which a possible disposal site may be initially identified is via an asset transfer request by a third party (e.g. a community group).

## **8. OTHER ITEMS OF INTEREST REGARDING ASSETS IN HITCHIN**

No other asset disposals are currently planned in the Hitchin area. There will also be a report regarding Hitchin Marketplace to be brought forward in due course which, although not about disposal, is with regard to potential uses of the site. The Marketplace is already a well used location and a report will seek to explore positive options for the future.

## **9. LEGAL PROCESS REGARDING OWNERSHIP OF ASSETS**

NHDC asset ownerships are registered with the Land Registry, and are included on the listing in Appendix A (HD references). Work is ongoing with the County Council with regard to the split of ownership for the Hitchin Museum and Library site. In this regard due cognisance of the full legal title of the land is being reviewed since where land has been bequeathed via a trust deed it is important to establish the correct beneficiaries, in such cases external legal advice may be required. Discussions are progressing and a practical solution is expected in the near future.

## **10. RECOMMENDATION**

That the information provided on the current status of NHDC Assets in Hitchin and potential asset disposals in Hitchin be noted.

## **11. REPORTS**

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