

**INFORMATION NOTE: CHURCHGATE AND ITS SURROUNDING AREA**

REPORT OF THE STRATEGIC DIRECTOR OF FINANCE, POLICY AND GOVERNANCE

**1. PURPOSE OF REPORT**

- 1.1 To inform Members on latest position regarding Churchgate and its surrounding area

**2. OVERVIEW**

- 2.1 Members will be aware of the Full Council resolution on 27 November 2014, which states:

**RESOLVED:**

- (1) *That the legal advice set out at Appendix A to the report be noted;*
- (2) *That, having considered its aspirations for the future of the Churchgate site and its surrounding area, the Council discontinues the current approach based on the Churchgate Planning Brief and considers alternative approaches for a smaller scheme in the short term; and*
- (3) *That Officers be instructed to investigate the Council's preferred approach, as agreed in (2) above, and report back to Council setting out the options and points for consideration to progress the project.*

**REASON FOR DECISION:** *To allow the Council to clearly state its current aspirations for the Churchgate area of Hitchin in the light of the history of the project to date and provide clarity on its preferred approach going forward.*

- 2.2 Officers have discussed a way forward with the Churchgate Project Board and in accordance with resolution (3) above officers are in the process of:

- 2.2.1 Seeking quotations for an independent valuation of the site, as recommended in the Eversheds' legal advice appended to the Full Council report. The valuation being sought is of the Council's assets individually and in parcels e.g.- individual valuations and combinations of sites 1, 2, 3, 4 and 5 of the Churchgate Planning brief and including the Churchgate centre, the market and the car parks. Valuation will be sought on the existing use and potential future uses including the proposed Hammersmatch Development and any implications it may have on the value of the whole site. This will assist the Council in its considerations on how it may wish to proceed with any land transaction in the future.

- 2.2.2 Setting up further discussions with Hammersmatch as landowner to seek clarifications on various matters including their financial proposal for the site and anticipated timescales for delivery.
- 2.2.3 Investigating revenue implications to the Council of taking forward a smaller scheme in the short term, for the market, car parking and lease. The Board are clear that they do not wish to see the number of parking spaces reduced, that a solution for the market needs to be found, and that revenue/income streams must be retained. It is to be noted that when taking into consideration the Council's financial duties it must ensure that it achieves best consideration and compliance with State Aid rules.
- 2.3 Once these initial aspects have been investigated, they will be discussed with the Churchgate Project Board and a report will be presented to Full Council on 12 February 2015 detailing the next stages in the project including a request for appropriate funding as required to inform any proposal/option(s) to be taken forward.

### **3. CONCLUSION**

- 3.1 That the Hitchin Committee note the content of this Information Note

### **4. CONTACT OFFICERS**

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