

**HITCHIN AREA COMMITTEE
26 MAY 2015**

***PART 1 – PUBLIC DOCUMENT**

AGENDA ITEM No.

9

TITLE OF INFORMATION NOTE: CHURCHGATE AREA

INFORMATION NOTE OF THE STRATEGIC DIRECTOR OF FINANCE, POLICY AND GOVERNANCE

1. SUMMARY

1.1 To inform Members on latest position regarding the Churchgate area.

2. STEPS TO DATE

2.1 This Information note is at the request of the Chair of Hitchin Committee.

2.2 Full Council on 12th February considered a report on the Churchgate area including the next steps in the project relating to seeking quotations for an independent valuation of the site; further discussions with Hammersmatch and other interested parties; investigating revenue implications for the Council; finding a solution for the Hitchin Market; and additional funding requirements.

3. INFORMATION TO NOTE

3.1 Officers of the Churchgate Project team are in discussion with Hammersmatch regarding their proposal as landowner. These discussions are in accordance with items (2), (3) and (4) of the Full Council resolution below (12th February 2015 meeting).

RESOLVED:

- (1) *That an initial budget of up to £40,000 be committed at this stage to undertake an independent valuation of the site, any commercial and legal advice as may be required;*
- (2) *That the principle of a lease to a developer of the site for a minimum term of 150 years subject to contract be accepted, and granted only upon completion of the whole of any agreed redevelopment;*
- (3) *That the Council continues to require all interested developers on the Churchgate site to seek a solution for the market, at the developers' expense, in consultation with appropriate officers; and*
- (4) *That officers continue to investigate the Council's preferred approach for a smaller scheme in the short term and report back to Full Council setting out options and points for consideration to progress the project.*

REASON FOR DECISION: *To allow the Council to continue with its investigations for a smaller scheme in the short term and provide clarity on its preferred options going forward.*

- 3.2 Clarification is being sought from Hammersmatch on various matters including their financial proposal for the site, seeking a solution for the market and their anticipated timescales and any phasing for delivery of their scheme.
- 3.3 Consultants have been appointed and are in the process of undertaking an independent valuation of the Churchgate site as previously reported to Hitchin Committee. The valuation being sought is 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.

4. NEXT STEPS

- 4.1 Once these initial aspects have been investigated, they will be discussed with the Churchgate Project Board and, subject to progress on discussions with interested parties, a report will be presented to Full Council in due course setting out options and points for consideration to progress the project.

5. APPENDICES

- 5.1 None

6. CONTACT OFFICERS

Norma Atlay, Strategic Director of Finance, Policy and Governance.
Telephone: 01462 474297. E-mail address: norma.atlay@north-herts.gov.uk

Louise Symes, Strategic Planning & Planning Projects Manager.
Telephone 01462 474359. E-mail address louise.symes@north-herts.gov.uk

Andy Cavanagh, Head of Finance, Performance & Asset Management
Telephone 01462 474243. E-mail address andrew.cavanagh@north-herts.gov.uk

Anthony Roche, Acting Corporate Legal Manager & Monitoring Officer
Telephone 01462 474588 Email address anthony.roche@north-herts.gov.uk

7. BACKGROUND PAPERS

- 7.1 Full Council Report 12 February 2015 – Churchgate Area, Hitchin – Next Steps