

**HITHCIN AREA COMMITTEE  
8 DECEMBER 2022**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF INFORMATION NOTE : Churchgate Shopping Centre update**

INFORMATION NOTE OF THE SERVICE DIRECTOR - ENTERPRISE

EXECUTIVE MEMBER EXECUTIVE MEMBER FOR ENTERPRISE AND ARTS

PRIORITY SUSTAINABILITY AND A BRIGHTER FUTURE TOGETHER

**1. SUMMARY**

1.1 To provide Members an update on Churchgate Shopping Centre

**2. INFORMATION TO NOTE**

2.1 As mentioned in the September information note the Council acquired the Churchgate Shopping Centre on 1 August 2022.

2.2 The Council appointed Brown & Lee Chartered Surveyors to manage Churchgate Shopping Centre on the Council's behalf for a period of 2 years from 1<sup>st</sup> August 2022. The Council's Estates department met with Brown & Lee in August shortly following acquisition to discuss broad management objectives and principles for the property. Since August, frequent dialogue has focused on setting out and implementing a more detailed estate management strategy. The letting and management of each unit within Churchgate has been jointly reviewed culminating in the Council issuing Brown & Lee instructions to address matters raised. Instructions include:

- To market vacant units with a view to achieving market level income as appropriate.
- To formalise occupation arrangements where occupiers are holding over. Such arrangements include tenancies at will. The objective is to maintain control of the estate.
- To implement practical remedies to address rent and service charge arrears.
- To consider opportunities to improve income levels and sustain income.
- To deploy strategies to minimise holding costs and maximise management efficiencies.
- To identify and carry out essential repairs.

2.3 Prior to acquisition of the head leasehold interest in Churchgate, the Council commissioned BNP Paribas Real Estate to provide a technical due diligence report. This report advised on the general condition and state of repair of the property and provided indicative cost estimates for repair items. The report set out a risk rated summary of the repairs identified together with recommended actions. The report has been studied by the Council and Brown & Lee. The Council has instructed Brown & Lee to clarify apportionment of responsibility for the repairs between the Council as landlord and the

tenants. Brown & Lee is instructed to appoint the relevant contractors to carry out the repairs for which the landlord is responsible as soon as possible.

- 2.4 The Council's long-term aspiration of the shopping centre is to regenerate this area. The Council has recently agreed the commencement of the new Churchgate Project and held the first Project Board meeting on 7 November 2022 where it approved the first two steps which are the Project Trigger and Project Start Up. These steps are required to ensure the relevant documents are in place for the project to commence. This board will be responsible for investigating this site and the surrounding areas to explore what options there are. The next Project Board is due to take place week commencing 9 January 2023, one of the tasks that will be presented to the board is the Comms plan which will set out a programme of engagement including public exhibitions.
- 2.5 A key element of this project is to ensure we consult with the public and fully understand what their thoughts are with regards the future of this area. As part of this the first survey is being launched this week (5 December) and will be available till 31 January 2023.
- 2.6 A report will be presented to Full Council on 19 January 2023 setting out the short, medium and long term approach for the asset and how the project will be managed. This will include a draft project plan and draft communications plan which will outline how the Council will consult with the public.

### **3. NEXT STEPS**

- 3.1 To ensure Councillors and the public are kept up to date on the progress of this site and the project, regular updates will be provided to this committee.

### **4. APPENDICES**

- 4.1 None

### **5. CONTACT OFFICERS**

- 5.1 Steve Crowley, Service Director – Enterprise, ([steve.crowley@north-herts.gov.uk](mailto:steve.crowley@north-herts.gov.uk) /ext 4211)

### **6. BACKGROUND PAPERS**

- 6.1 None