

3 February 2026

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: ENTERPRISE PORTFOLIO UPDATE

REPORT OF: STEVE CROWLEY, DIRECTOR – ENTERPRISE

EXECUTIVE MEMBER: CLLR TAMSIN THOMAS, EXECUTIVE MEMBER FOR ENTERPRISE

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

To provide the committee with an update on the progress of the Enterprise Directorate.

2. RECOMMENDATIONS

For the Committee to note the report.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The report is following the request of the committee for an update on the progress of the Enterprise Directorate and is for information only.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. None

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. The Executive Member for Enterprise has been kept regularly updated on the Service Plan for the Enterprise Directorate and has been fully briefed and supports the contents of this report.
- 5.2. Key projects are run via the Council's Project Management Framework, which ensure relevant Executives are members of the Project Board.
- 5.3. The Director and Service Managers hold quarterly meetings with the Shadow Executives and keep them up to date on key projects and operational items.

6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1. The Executive Member for Enterprise and the Director – Enterprise have been asked to provide an update to this committee.

8. ENTERPRISE UPDATE

- 8.1 The Committee have specifically requested this report should cover:
- Churchgate Regeneration Project – options and on-going developments
 - Members are interested in Progress across the portfolio – current status, next steps, risk/ concerns.

8.2 Directorate overview

- 8.2.1 As part of the Senior Management restructure that took place 2024/25, the Enterprise team now includes Property Services (as of April 2025), this department is responsible for facilities management, reactive repairs/maintenance, statutory and non-statutory building compliance and project management of capital works, across a diverse property portfolio of approximately 76 premises/locations. In addition to managing the specialist out-sourced Health and Safety advice provided by Hertfordshire County Council the Property team manage a range of corporate health and safety functions, including eye-care vouchers, referrals from Display Screen Equipment (DSE) assessments, the asbestos register and premises fire risk assessments.

- 8.2.2 Therefore, the Enterprise Director is now responsible for Enterprise, Estates, Cultural Service, Property Service and is also a director of three council companies, these are Broste Rivers Group, Herts CCTV and Broadwater Hundred. This report does not cover the company work as reporting of this is undertaken by the appropriate Shareholder Representatives to the Cabinet Sub Committee (Local Authority Trading Companies' Shareholder). The Director is also the lead officer for the Baldock Industrial Estate Fire recovery and has been working with representatives from the Industrial Estate since the fire took place and liaising with them with regards the future of this site.

- 8.3 The following section provides an overview of the department focussing on Budget and headcount.

- 8.3.1 The table below shows this year's (2025/26) projected outturn compared to the full financial year of 2024/25.

	Enterprise		Estates		Cultural Services		Property Service		Total	
	2024/25 £000	2025/26 £000	2024/25 £000	2025/26 £000	2024/25 £000	2025/26 £000	2024/25 £000	2025/26 £000	2024/25 £000	2025/26 £000
	Actual	Projected Outturn	Actual	Projected Outturn	Actual	Projected Outturn	Actual	Projected Outturn	Actual	Projected Outturn
Expenditure	391	609	537	529	1,231	1,269	882	819	3,041	3,226
Income	81	16	1,505	1,764	393	382	14	4	1,993	2,166
Total	310	593	-968	-1,235	838	887	868	815	1,048	1,060

- 8.3.2 The above demonstrates the total net position of the directorate has slightly increased (£12k) since last year and the following sets out the key reasons for this.
- 8.3.3 The Enterprise expenditure increase reflects the expenditure allocated to the ongoing Churchgate Regeneration project for consultancy costs, which have included our regeneration expert advisors (Lambert Smith Hampton), public realm (Leonard Design), communications (PLMR) Car parking consultants (Markides Associates), Market advisors (Market Curators). This expenditure is met through a dedicated Churchgate consultants budget, which has been allocated by the Council since acquiring the property and remains within budget expectations. The variance also reflects higher staffing costs – due to the team hiring an agency staff member to support the initial phase of the Churchgate project.
- 8.3.4 The income in 2024/5 was higher due to the Enterprise team receiving a grant from the Herts Economic Partnership – to support development and regeneration within the area. The grant was put towards the cost of consultants associated with the Churchgate project. The Council did not receive this fund this year. The income reflected in 2025/6 is mainly from the Community Lottery.
- 8.3.5 Estates projected expenditure for 2025/26 is expected to be broadly in line with 2024/25. Income projections for this year are expected to improve against last year, primarily following settlement of outstanding rent reviews and increased net income from Churchgate Shopping Centre.
- 8.3.6 Culture Services has a £50k overspend projected for the 2025/26 financial year. £25k of this is relating to dilapidations for Brotherhood Hall whilst other elements link to a range of more minor overspends across a range of areas.
- 8.3.7 Income within the service continues to grow, with Hitchin Town Hall related income trebling since 2021/22 and a further 59% up on 2022/23 based on the figures achieved in 2024/25. The 2025/26 appears to be on a par with the previous year's record income.
- 8.3.8 Property Services expenditure is £63k better than 2024/25, this is due to rent for the District Council Offices (DCO) being higher in 2024/25 due to back dated rent and also the repair and maintenance costs for the DCO being £27k higher last year.
- 8.3.9 The table below sets out the capital receipts that this directorate has generated over the last 5 years. All figures are shown using £000.

2021/22	2022/23	2023/24	2024/25	2025/26	Total
£2,644	£4,199	£619	£0	£0	£7,462

- 8.3.10 The conditional sale of land at The Snipe, Weston is no longer proceeding. The future development and proposed sale of the site is under review.
- 8.3.11 The proposed development of land at Radburn Way is no longer proceeding following Cabinet's decision to retain the land and improve it as a habitat area with some public access.
- 8.3.12 Other potential development sites are under review with a prospect of future capital receipts. This will be reported on in the future once progressed to a point where a disposal can be forecast in the capital plan with greater certainty.

- 8.3.13 Estates have undertaken a strategic review of the Council's property portfolio and identified assets which may be suitable for disposal. These may be underperforming or isolated properties for example or suitable for sale to a special purchaser willing to pay above market value. Further work is ongoing and there are good prospects for delivering capital receipts for some of these in the next 12 months.
- 8.3.14 Whilst no receipts have been received last financial year and in the year to date, sales should be looked at and averaged over a period of time due to the availability and timing of property sales.
- 8.3.15 The current headcount is as follows:

Enterprise (3 FTE):

1 Full Time Enterprise Manager, 1 Part Time Economic Development Officer on a Shared Service agreement with East Herts Council, 1 Full Time Enterprise Business Partner and 1 Part Time Enterprise Business Partner.

Estates (3 FTE):

1 Full Time Principal Estates Surveyor, 1 Full Time Graduate Estates Surveyor, 1 Part Time (Admin Support Officer) and 1 Part Time (4-day week) agency Surveyor.

Museum and Hitchin Town Hall (18 FTE): 28 people, which works out as 18 Full Time equivalents, plus casual staff for events.

Museum

Cultural Services Manager, Curator & Education Officer, Digital Audience Development Officer, Education Apprentice, Curator & Heritage Access Officer, Assistant Curator, Museum Technician, Visitor Services Supervisor, Visitor Services Assistant (x3) and Digital Marketing Apprentice.

Hitchin Town Hall

Culture & Facilities Service Manager (oversees entire facility), Operations & Events Manager, Events Team Leader, Duty Manager, Events Assistants, Support Officers (x3)(works across entire facility) and Cleaners (x2) (works across entire facility)

Cafe Team

Catering Manager (currently vacant), Catering Supervisor, Catering Assistants (x2), Seasonal Kiosk Attendant and Catering Casual Bank

Property Service (7.5 FTE): 1 Full Time (Buildings & Facilities Manager), 1 Part Time Compliance Contract & Project Manager, 1 Full Time Building Surveyor, 1 Full Time Building & Facilities Manager, 1 Full Time Facilities Team Leader, 1 Full Time Compliance & Facilities Coordinator, 1 Full Time Maintenance Caretaker, 1 Full Time Health & Safety Officer (currently vacant and covered by SLA with Herts County Council)

8.4 What challenges, barriers, and/or risks most affect this portfolio?

- 8.4.1 The following sections focuses on the key challenges, barriers and risks for the department.
- 8.4.2 Churchgate Regeneration Project

As previously reported the Council purchased the Churchgate Shopping Centre Leasehold on 1 August 2022. Following that a Project Board was established and

adopted the 'NHC Project Management Framework' which is based on 'PRINCE 2' (an industry recognised Project Management tool). This framework ensures that the Council follows a clear process when setting up, managing, delivering and completing a large project. The Council has undertaken two rounds of public consultation, the findings from the consultation helped form the five development principles which are set out below.

The team have been continuing their work on various models to financially appraise the options to take this scheme forward. In July 2025, the team presented a report to Full Council which set out the key recommendations as a result of the ongoing due diligence including market testing, a series of Project Board workshops and financial appraisal studies with consultants Lambert Smith Hampton (LSH). The report set out four initial options, and made a recommendation to Council that we progress to develop a proposal based upon 'Option 3', which includes by default, Options 1 (mixed-use development of the Churchgate Shopping Centre, Hitchin Market and Biggin lane car park) and 2 (the same as Option 1, but includes development of Portmill Lane West car park). For context, Option 3 is mixed-use development on Plots 1 (Churchgate Shopping Centre and Hitchin Market), 2 (Biggin Lane car park), 3 (Portmill East), and 5 (Portmill West). Option 3 demonstrates the most likely scheme to be financially viable; exact costs and plans are yet to be defined, and this will not be known until the site has been fully designed and the Council has agreed how it will be developed.

The scheme remains committed to the five development principles that were set out last year, as a result of the public consultations and stakeholder engagement. As a reminder, please see these principles below:

- Heritage-led regeneration – retaining and enhancing historic character within the town, alongside introducing complementary development
- Multi-use developments - integrating residential, retail, and leisure together to support a diverse local economy
- Market and riverfront revitalisation - transforming Hitchin Market and the River Hiz corridor into a dynamic, community-centred hub
- Integrating green infrastructure, low-carbon technologies and smart mobility
- Unlocking new development potential in underutilised sites without overdeveloping heritage areas.

When conducting the feasibility work, several factors were identified in relation to financial viability:

- The presence of a food store will improve the financial viability of all options shown.
- The modelling then assumes that Biggin Lane would be a car park dedicated to food store customers (not a Council owned car park). If the development does not include a food store, this area is assumed to be used for other uses, such as retail and residential.
- The aim is to provide 40% affordable housing within the scheme. However, it is proving challenging to meet these requirements alongside delivering the other variables.
- Public realm/community space is important to the community. However, the cost of providing high quality public realm is expensive (based on other Council-led case studies and intelligence). The Council and Project Board members will need to consider this as part of the master planning process in the future.

The team have been working with specialist consultants to understand what could be feasible on the various sites. For example, the team commissioned Market Curators to

review and recommend varying, scalable options to transform Hitchin Market into a market hall style venue – providing both indoor and outdoor space for street food vendors, market traders, dining & event space and community space. This type of due diligence allows the team to financially appraise the project more precisely in preparation for going to the open market when conducting any procurement activity. The Enterprise Manager continues to work closely with Hitchin Market to ensure that the operation is successful in the interim period leading up to the regeneration. The market consultants (Market Curators) have also been working with the Market Board to create a joint action plan to ensure that traders are engaged and supported whilst the Council determines the next steps.

The team have also been surveying and analysing the current car parking provisions within the town centre. Markides Associates (car parking specialist, often used by the Council for various parking projects) carried out a detailed survey of all car parks within the town centre proximity, including all Council-owned car parks, supermarket car parks and privately owned car parks over the course of two weeks. The survey measured usage on selected weekdays and on Saturdays using both on-street surveyors and cameras. The analysis reviewed the current usage vs what the utilisation and parking provision would look like if Portmill East, Portmill West and Biggin Lane car parks were removed. Top level findings suggest that there is sufficient car parking in the town throughout the week and on weekends – except for Saturdays between the hours of 11am-2pm (peak shopping times). The consultants have suggested various measures that the Council could put in place to mitigate the parking provision becoming an issue in the future as Churchgate plans progress, such as installing digital signage to incorporate space numbers and highlighting different car park around the town. The report demonstrated that The Lairage car park is significantly underutilised, due to a number of issues that are being addressed as part of this project (such as shoppers being unaware of it, resulting in better signage required). Whilst the team continues to explore mitigation measures, the parking situation remains a concern for the Project Board members.

The role of a regeneration specialist Project Manager with significant experience in delivering similar projects was a role that the Council agreed would be required to deliver this project. It was also agreed that this role was not required until the Council was at the feasibility stage. Therefore, the Project Board presented and gained approval for this at the July 2025 Full Council meeting as this was the right time to introduce this role to the Project Team. Following this, the team explored the market and successfully appointed a Project Manager in September 2025 for an initial period of one year. A growth item has been submitted to continue the Project Managers employment for 2026/7.

The team are now beginning to explore the different procurement routes that the project may take, according to the feasibility work and taking into consideration the prospects of Local Government Reorganisation.

As mentioned above the Project Team and Project Board are continuing to work on various models to financially appraise the options so a viable scheme can be taken forward taking onboard the items that have been raised above, once this work is complete Project Board will approve a scheme, which will then be presented to Cabinet for approval. The aim is to report to Cabinet within the next two months.

8.4.3 Change in legislation

One of the biggest barriers took place in December 2021 through changes to The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities (Prudential Code) with regards commercial investments. This change means Councils can only invest in their own area. Also, the Public Works Loan Board (PWLB) have changed their rules, meaning that Councils can only borrow for investment where the primary reason is not to provide a financial surplus. In recent years, local councils have made increasing use of cheaper borrowing from the PWLB to invest in commercial property with a view to generating revenue. The rules governing the purposes for which local councils may borrow for commercial investment are set out in CIPFA's prudential code.

MEES (Minimum Energy Efficiency Standards) regulations in the UK require landlords to ensure rented properties (domestic and commercial) have an Energy Performance Certificate (EPC) rating of E or above, making F/G ratings unlawful to let, with plans to raise the bar to C or B by 2030. Landlords must meet these standards or register a valid exemption. There is a risk of getting investment properties up to compliance with potentially increasing standards.

8.4.4 It is a challenge to continue to retain and attract tenants at Churchgate Shopping Centre and justify acceptable repair and maintenance as we progress towards vacant possession for the redevelopment, with corresponding impact on delivering adequate financial returns.

8.4.5 Economic Development Strategy

The strategy is now complete and in operation. The team are looking forward to a restructure taking place in March 2026 which will support the workload associated with the new strategy, and the opportunities it will open. The strategy has enabled the Council to increase its economic development 'footprint' by partnering with businesses (of all scales), addressing the skills growth/gap in the community, and celebrating the ideal positioning and linkages in NH in relation to Cambridge, Luton (airport expansion), Stevenage (life sciences) and London. The Council is committed to increasing economic activity and creating opportunity for businesses. We realise that the action plan will dramatically increase the workload of the team, therefore more expertise is required to ensure the strategy is delivered to the best of its ability. Using the existing Enterprise staffing budget, the team have proposed a new structure that will enable a stronger economic development presence at North Herts. The team will look to appoint 1x full time Economic Development Lead Officer and 1x full time Economic Development Officer in the coming months to write and deliver the action plan associated with the strategy. The team will continue to manage the UK Shared Prosperity Fund and associated projects.

8.4.6 Repair and maintenance to Council Properties

Ensuring planned and reactive repair and maintenance of properties is undertaken, especially the older stock properties where the Council has repair responsibilities and where the asset may be delivering a limited financial return.

8.4.7 Local Government Reorganisation

The uncertainty of Local Government Review brings with it fresh challenges in terms of long-term planning, particularly around large capital expenditure on building fabric and mechanical and electrical plants.

8.4.8 Recruitment and retention

Recruiting and retaining general practice property surveyors is a challenge, this is an issue that many councils are facing. At present we are using an agency member of staff within this post.

8.4.9 Museum and Town Hall Events

Our Museum and Town Hall Team hold many events with the aim of making a surplus from these events. In recent years we have delivered many events inhouse, by doing this we can generate greater profits, however, this means we must ensure they are run professionally and efficiently, otherwise there is the risk of losing money.

8.5 What opportunities do you see in the future within this portfolio?

8.5.1 The Churchgate Regeneration Project

As mentioned above, this project has the potential to bring a wealth of opportunity to the district and further. Not only will this enhance the town, but it will also look to bring more jobs, housing and create a destination space. It is likely to attract more visitors from outside the district and will encourage business growth, Council income and social value. Now that the Council owns both the freehold and leasehold of the shopping centre, the Council are in the best possible position to unlock the potential on this site.

8.5.2 North Hertfordshire Economic Development Strategy 2025-30

This strategy focuses on the potential of North Herts, business growth and engagement. Research shows that North Herts is perfectly placed for business, and we are fortunate enough to have a range of SME's and large businesses willing to work alongside us to provide more jobs, better upskilling programmes and generally putting 'back into the community'. Now that the strategy is in place, the Council will build a stronger relationship with businesses in order to promote the growth and engagement within the District. [North Hertfordshire Economic Strategy](#)

8.5.3 Growing Broadwater Hundred (a Local Authority Trading Company "LATCo")

There is an opportunity to grow the existing property company to include more properties within its portfolio. The company currently manages the four properties at Harkness Court, Hitchin however depending on the success of this it could broaden its portfolio.

8.5.4 Opportunities for income generation for property held for operational purposes

Opportunities for income generation from improving the commercial property portfolio, identifying and executing opportunities through reviews, reinvestment, redevelopment and re-gearing of leases. Further investment in commercial property through either capital being made available or reinvestment of disposal proceeds to improve the asset or portfolio should be considered. Opportunities for income generation for property held for operational purposes should also be considered, such as the successful letting of the 2nd and part 3rd floor of the DCO.

8.5.5 Asset Management

Opportunities via Asset Management and Development - Within both the property portfolio assets should be identified for refurbishment and redevelopment where they are

failing to achieve their potential. They will be assessed in detail, possibly in conjunction with outside experts, to provide an assessment of the existing asset and identify and appraise viable options.

8.5.6 Charnwood

The details of this project are set out below in 8.9. Charnwood House, Paynes Park, Hitchin was gifted to the Urban District Council of Hitchin in 1937, subject to the Council holding the property in perpetuity for public community use. It is Grade II Listed. The property has been largely vacant since 2013. There was previous interest in the building from Charnwood Community Management Association, a registered charity, with the aim of taking a lease and maintaining the building for community use, providing a community hub for Hitchin residents with an emphasis on supporting those groups with an educational focus. This did not come to fruition for various reasons. The Council subsequently openly marketed the property but received limited viable interest due to the condition of the property and limited permitted use. In December 2025 Estates have reported back to Exec Members with options to bring the property back into community use. A decision has been taken in principle to progress with a refreshed marketing, setting out a detailed vision and proposed term for a long lease to a suitable organisation and use.

8.5.7 Thomas Bellamy

Thomas Bellamy House, Bedford Road, Hitchin is Grade II Listed and constructed in circa 1850. According to local history, the building was previously used as a hospital and subsequently split into individual offices suites which had been sub-let on a room or floor basis. The property has been vacant for a number of years. Last year the Council obtained a report on the building's condition, and costings to undertake internal upgrade and refurbishment together with a marketing report for potential sale or letting as office, residential or other potential acceptable uses. The Council has undertaken external works to correct structural issues, and repair and redecorate the external fabric. Decisions have not been made on the recommended next steps and the property has not been formally marketed. There is current interest from a local organisation to occupy the property under a new lease, subject to terms. Estates will be reporting back on this shortly to enable a decision on whether to proceed with marketing for sale or let, subject to discounting any other potential alternative options. An Options Paper is planned to be prepared before 31 March 2026.

8.5.8 Hitchin Town Hall

The primary opportunities for Hitchin Town Hall rests in ensuring the potential bookings calendar is as saturated as possible and that the team are working towards maximum coverage of the available hireable periods. To this end, there have been a number of steps taken to support further growth in use of the venue, with a new website and new booking system now in place. Other opportunities rest in the monetisation of the events taking place and whilst the intention is for the venue to remain a broad church, providing a diverse range of community and commercial events, maximising bar, catering and other supporting revenue streams help support the overall financial position of the facility. As mentioned in 8.3.7 of this report, revenue across the various income streams has increased over recent years, with bar income surpassing £100k in the last full financial year for the first time. The team continue to work on new events, collaborations,

partnerships and marketing opportunities to further the fortunes and wider use of the venue.

8.5.9 North Herts Museum

The museum is not generally judged on its commercial success, but does have its own income targets from services such as the gift shop and education service to meet along with costs which need to be managed. Instead, its success lies in enhancing the cultural offering for the community of North Herts by continuing to offer a wide range of exhibitions, events and outreach initiatives. The ability to reach and attract new audiences, support education at all stages of life and contribute to local pride, sense of place and community cohesion are all ways in which the museum service seeks to serve and benefit North Herts. In the future, the continued surveillance of grant funding opportunities to enhance the museum's offering will be key given that funding pressures limit the council's ability to solely fund additional outreach ventures and cultural projects. The museum exhibits a lot of our artefacts, however, we also hold a significant amount in our storage facility in Bury Mead. Recently the Council purchased the leasehold for an industrial unit in Letchworth which will become our Museum collection facility, the details of this project are covered below.

8.6 Key Projects (Churchgate is covered in 8.4.2, therefore, is not covered in this section). Appendix 1 provides the Action Plan for Enterprise which includes other projects

8.7 Museum Collection Facility

- a. What is the goal of the project?
To solve the current pressures on capacity and strive for improved environmental stability to secure the long-term future and preservation of the museum collection of North Hertfordshire. A modern and upgraded store would also facilitate greater community outreach and engagement opportunities along with enhancing our ability to rotate lesser seen items from our collection so that these may be placed on temporary display.
- b. When is the project expected to complete?
Current estimate would be 2027/2028.
- c. What has been achieved to date?
Officers initially explored development of the existing site through a variety of approaches, including supplementing the site with commercial ventures such as self storage services and leisure facilities built alongside the museum collection facility. Due to the size of the site and the financial projections for the various approaches suggesting these would not be viable, attention turned to other options and approaches.

In November 2024, a paper detailing several approaches to resolving the current situation was taken to Overview and Scrutiny Committee and to Cabinet. Cabinet, in agreement with the recommendations of Overview and Scrutiny discounted some of the options whilst a nominal budget was allocated to pursue further investigations on some of the leading options.

One such option was to explore the acquisition of a suitable long leasehold facility in the area and to convert this into a long term home for the museum collection facility. In March 2025 a paper on the merits of this specific facility recommending its acquisition was presented to both Overview and Scrutiny Committee and Cabinet. Cabinet, again with the support of Overview and Scrutiny Committee authorised the acquisition of the facility, which was then taken into Council ownership in July 2025. A project to deliver the newly renovated facility was established with the initial project board taking place in September 2026.

The project is utilising all of the Councils established project management methodology and standard documentation and a number of developments have already occurred. The existing tenants lease has been extended until July 2026, allowing time for the designs for the new facility to be completed whilst securing an additional income for the Council and avoiding a void period. A project comms plan has been drafted and adopted, officers have been invited to develop a full submission for grant funding, based on a successful expression of interest to the National Lottery Heritage Fund and the project team are also at an advanced stage of negotiations with a potential provider of professional technical services, with a view to the provision of the expertise necessary to spearhead the design work and develop the technical specification for the renovation.

d. What is the current status of the project?

The project team is at an advanced stage of negotiations with a view to the appointment of a team of professionals to deliver the professional technical services necessary to complete the design work on the facility over the next few months. Based on this work, the intention is to appoint a renovation contractor to start work on the renovations in the summer. In the meantime, a full grant funding application will be submitted and work on appointing to the community engagement and collection relocation related roles (both paid and voluntary) will begin to take place over the coming months with a view to this strand starting towards the end of 2026.

e. What are the next steps?

The next steps will be to appoint the professional technical services and complete the design work, whilst progressing with the comms plan and efforts to secure grant funding support.

f. What are the key risks and issues affecting this project?

Financial pressure, escalating costs, staffing capacity, possible damage to the collection, possible loss of accreditation (though the risk of loss of accreditation has lessened in the short term, as a result of the Council embarking on this project and addressing the issues faced).

8.8 Enterprise Strategy

a. What is the goal of the project?

To refresh the current Commercial strategy to ensure it is more in line with how the team are operating today under the recent changes in legislation and to include more recent projects such as Churchgate Regeneration. The Economic Development Strategy has been rewritten to include business engagement and growth within North Herts. The strategies are both updates to reflect how the team are acting commercially

and developing the economic agenda of North Herts Council. The strategy will reflect the Council's position in terms of income generation up to Local Government Reorganisation.

- b. When is the project expected to complete?
The delivery of this strategy is behind the original timescale; this is mainly due to capacity in the team. However, now that the team has additional support (mainly in the Churchgate capacity), the Enterprise Manager can focus attention on the strategy. The aim is to complete the first draft by latest March 2026 (followed by approvals).
- c. What has been achieved to date?
Due diligence on other Councils Commercial/Enterprise strategies to find out where and how the North Herts version needs adaptation.
- d. What is the current status of the project?
A working draft is underway, and an initial meeting with the Executive Member has taken place to understand expectations.
- e. What are the next steps?
To continue writing and refreshing the Commercial strategy to achieve the latest deadline.
- f. What are the key risks and issues affecting this project?
The Council will need to put the relevant resources in place to execute the strategy post March 2026 (recruitment process pending). There is also a risk that the strategy is not approved or adopted, and therefore the timescale risks being delayed.

8.9 Charnwood House

- a. What is the goal of the project?
To bring the property back into good repair and condition, and community use.
- b. When is the project expected to complete?
End 2026, subject to a successful long-term letting on acceptable terms and conditions.
- c. What has been achieved to date?
Options appraisal and capital budget secured. Main external roof and structural works completed so the building is wind and watertight. Asbestos removed. The former museum items removed along with other items and cabling, redundant cabinets and lighting etc. Initial marketing exercise undertaken but limited demand due to restricted use and investment required.
- d. What is the current status of the project?
Revised draft options paper prepared and in discussion with Exec Cllrs to agree next steps.
- e. What are the next steps?
Subject to approval, this is likely to be a new refreshed marketing, setting out a detailed vision and proposed term for a long lease to a suitable organisation and use.
- f. What are the key risks and issues affecting this project?
Covenant restriction on use.

Statutory restriction on use.
Viability of Listed Building consent conditions.
Demand for community hub.
Achieving mutually acceptable and viable terms for the letting.
Delays due to Asset of Community Value (ACV) listing.

8.10 Riverside Walk

- a. What is the goal of the project?
This project is within the Responsible Growth priority of the Council Plan with the aim of opening up the walkway between Bridge Street and Biggin Lane and installing a bridge to connect both sides, this will increase footfall in this part of the town centre and implement placemaking art as part of the project.
- b. When is the project expected to complete?
The target is to begin and complete the project during summer/autumn 2026.
- c. What has been achieved to date?
A capital and revenue budget is secured for the project. An outline proposal has been prepared by consultant engineers. The river banks have been cleared, trial holes undertaken to identify utilities and for the bridge crossing point, and uneven sections of paving repaired.
- d. What is the current status of the project?
Consultation is underway with the Environment Agency to enable the design of the proposed bridge to be finalised and with Herts County Council Highways for linking with existing footpaths with a view to submitting a planning application in early 2026.
- e. What are the next steps?
There are a number of stages to delivery of this project including outline and detailed design, consultation with key stakeholders, planning consent, Highway and Environment Agency consents, tender for the works and delivery.
- f. What are the key risks and issues affecting this project?
Securing the necessary statutory consents and in a timely manner to enable completion in 2026.
Sufficient budget for delivery of the works. This will be subject to final design and tenders.

8.11 Council Office and Museum and Town Hall Decarbonisation

- a. What is the goal of the project?
The aim is to replace gas fired heating boilers with cleaner, more efficient electric heating to reduce the carbon footprint of both sites. Other measures such as secondary glazing, replacement of air handling units and installation of solar panels are also planned at Hitchin Town Hall and North Herts Museum. The overall project is partially funded by Salix through the Public Sector Decarbonisation Scheme.
- b. When is the project expected to complete?

Work programs yet to be fully developed and agreed. Completion at Hitchin Town Hall and North Herts Museum is planned to be by March 2028, in line with Salix funding requirements.

- c. What has been achieved to date?
Cabinet and Council approved the budget for decarb phase 2. Both sites are currently being project managed by the Climate Change and Sustainability Project Manager. Initial feasibility, proposals and cost estimates were provided by Willmott Dixon as part of a successful funding application to the Public Sector Decarbonisation Scheme. Property Services have suggested an alternative solution for decarbonising the District Council Offices (DCO) that is significantly more cost effective than the original proposal. If the proposals are agreed by Project Board, it is envisaged that Property Services will project manage the works to the DCO. For Hitchin Town Hall and North Herts Museum a further feasibility study has been undertaken and services are being procured, including a mechanical and electrical consultant, architect and quantity surveyor, so that designs can be produced prior to submission of a planning application.
- d. What is the current status of the project?
Both projects are at feasibility and cost estimate stage.
- e. What are the next steps?
Surveys are to be undertaken and designs developed for Hitchin Town Hall and North Herts Museum ahead of submission of a planning application. Freeholder agreement will be required for the DCO and a program of works will be developed.
- f. What are the key risks and issues affecting this project?
As Hitchin Town Hall is a listed building, the top risk to the project relates to obtaining planning permission for siting of the air source heat pump and solar panels. Other risks include: impacts of any project delays on the ability to spend grant funding within each financial year; and the identification of concealed defects, issues not identified, or material costs leading to increased project costs.

9. LEGAL IMPLICATIONS

- 9.1. There are no legal implications following from this report which is for noting, however it is worth noting that members of a local authority who are not part of the executive can hold the executive to account for the decisions that affect their communities. This report seeks to update the Council's Overview and Scrutiny Committee on the Enterprise Directorate and how the Council's Enterprise projects are progressing.
- 9.2. There are various legislative provisions that give local authorities the power to trade commercially, in order to improve the range of services they can offer, such as S1 of the Local Authority (Goods and Services) Act 1970 (which allows local authorities to provide goods and services to other local authorities); S95 of the Local Government Act 2003 (which allows local authorities to engage in entrepreneurial commercial trading with private bodies and persons); S1 of the Localism Act 2011 ('the general power of competence', which allows local authorities to do anything individuals can do unless prohibited by law and subject to public law principles) and S19 of the Local Government

(Miscellaneous Provisions) Act 1976 (which allows local authorities to provide facilities associated with recreational facilities).

- 9.3. As part of the assessment of any proposed trading activity pursuant to the Enterprise Team the Council will need to ascertain the most appropriate power and comply with any associated requirements and consider the limitations imposed by the legislation.
- 9.4. Section 4(2) of the Localism Act 2011 provides that where, in exercise of the general power of competence, a local authority does things for a commercial purpose a local authority must do them through a company. This is particularly pertinent to the use of Broadway Hundred Ltd by using a LATCo the Council can take advantage of the wider market place in terms of the services being provided.
- 9.5. The Public Libraries and Museums Act 1964 allows local authorities to provide and maintain museums and art galleries. The act, however, does not place a statutory duty on local authorities to do so. Therefore, the Council's commitment to the North Herts Museum arises more from a concern for the Museum and its collection than obligation.
- 9.6. Section 123 of the Local Government Act 1972 (LGA 1972) requires principal councils in the UK to obtain the best consideration that can reasonably be obtained when disposing of land (other than a short tenancy of less than seven years). This is the statutory expression of "best value" in the context of selling or leasing council property.

10. FINANCIAL IMPLICATIONS

- 10.1. Financial implications are covered in the body to the report

11. RISK IMPLICATIONS

- 11.1. Good risk management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. There are no direct risk implications relating to this report, as it is solely providing an update on the progress of activities and projects within the Enterprise directorate. Key risks are assessed and managed for each individual project and where appropriate, these are recorded on a Risk Log and/or the Risk Register. Section 8 of the report highlights key risks relating to specific projects and the directorate in general.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. The strategy states that all proposed ideas will be of an ethical nature and will be considered to have a positive impact on the community as a basis for consideration. In line with the Council's commitment to demonstrate due regard the Equality Duty, it will conduct equality impact assessments where required (i.e. any key decisions, major budget implications and any revisions to major service provisions).

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply directly to this report. The Council will conduct environmental impact assessments where required (i.e any key decisions, major budget implications and any revisions to major service provisions).

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no human resources implications for this report.

16. APPENDICES

- 16.1 Appendix 1 – Action Plan - Enterprise

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

- 18.1 Council Plan
18.2 Council's Delivery Plan