

**CABINET
TUESDAY, 22 SEPTEMBER 2026**

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: Charnwood House, Hitchin

REPORT OF: Director - Enterprise

EXECUTIVE MEMBER: Executive Member - Enterprise

COUNCIL PRIORITY: Thriving Communities

1. EXECUTIVE SUMMARY

The Council has a policy for Charnwood House to be brought back into use to support community-based activities.

A Record of Decision dated 3rd August 2026 by the Executive Member for Enterprise approved the re-marketing of Charnwood House on a long lease to organisations with the vision and expertise to transform it into a thriving community asset. This follows a previous Cabinet decision in December 2020 approving the principle of marketing and for the terms of any transaction to be presented back to Cabinet for approval.

The new marketing began on 24th August 2026 and the closing date for applications from suitable interested organisations is 19th October 2026.

This Cabinet report seeks approval to the basis for assessing and scoring the applications, and delegating final approval of the successful organisation to the Executive Member for Enterprise in consultation with the Director of Enterprise.

2. RECOMMENDATIONS

- 2.1. That Cabinet approve the basis and process for assessing and scoring applications from suitable interested parties (or groups).
- 2.2. That Cabinet delegates authority to the Executive Member for Enterprise in consultation with the Director of Enterprise, to finalise the terms for the lease and to complete any other documentation required to give effect to the decision.
- 2.3. That Cabinet approves grant of a long lease of Charnwood House, including a restriction to community use, and delegates to the Director of Enterprise in consultation officers in Estates and Legal Services to consider rental at a value less than best consideration where it can be shown that the disposal will promote and improve social well-being pursuant to the Local Government Act 1972: General Disposal Consent 2003.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The Council has a policy for Charnwood House to be brought back into use to support community-based activities, recognising the potential value of the asset to local and regional groups and the wider town centre.
- 3.2. The Council Plan 2024-2028 identifies Thriving Communities as one of the Council's priorities which includes looking for opportunities to develop community hubs that provide public spaces and support for communities.
- 3.3. This recommendation sets out how the successful applicant will be selected to enable the Council to progress granting a lease of Charnwood House and deliver the policy for the property.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 Do Nothing / Continue Holding the Property Vacant

Rejected as:

- The property will have ongoing holding costs (repair, maintenance, security and compliance for example).
- The property will be subject to further deterioration and possible vandalism.
- Reputational risk regarding community expectations.
- Failure to deliver the policy and associated community benefit.

4.2 Disposal / Sale of the Freehold

Rejected as:

- Loss of long-term control.
- Community aspirations may not be achieved unless restrictive covenants are applied (which may reduce value and covenants may have limited enforceability).
- Difficult to guarantee community use and access if privately developed.

4.3 Other options discounted in a previous options paper include:

- Commercial Letting - short or long term.
- A Council managed community use.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 The future aspirations and policy for Charnwood House have been communicated to the public through Hitchin Forum and the dedicated web page on the Council's website [Charnwood House | North Herts Council](#).
- 5.2 The Executive Members for Resources and Enterprise have been closely consulted on the plans for the re-marketing and letting of Charnwood House to meet the policy.
- 5.3 Shadow Executive Members have also been kept informed on the plans for re-marketing Charnwood House.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 21st August 2026.

7. BACKGROUND

- 7.1 A Cabinet decision in December 2020 approved the principle of marketing and provided that the terms of any transaction would be presented back to Cabinet for approval.
- 7.2 A marketing exercise in 2023 did not lead to a successful letting.

8. RELEVANT CONSIDERATIONS

- 8.1 Charnwood House is a Grade II Listed property. It was formerly used as Hitchin Museum prior to the development of a District Museum at Brand Street. The last public admission to Charnwood House in its capacity as a museum was in September 2012. Following the closure of the museum, Charnwood House was used for temporary storage purposes, pending decisions being made on its future. Final items were removed in March 2022 in preparation for asbestos remediation and other works to facilitate a community letting.
- 8.2 The Council is committed to delivering a policy for Charnwood House to be brought back into use to support community-based activities, recognising the potential value of the asset to local and regional groups and the wider town centre.
- 8.3 The property was conveyed to the Urban District Council of Hitchin (UDCH) by a conveyance dated 1st May 1937 made between Hubert John Moss and Wallace Benjamin Moss as grantors and UDCH with the intention of being for the benefit of the inhabitants of the Urban District.
- 8.4 The former museum is registered as an Asset of Community Value. In accordance with the Localism Act 2011, the Council (as owner) has served a notice of its intention to dispose of the former museum by way of grant of a lease to coincide with the marketing. Following notice of the intention to dispose, eligible local organisations have a six-week period in which to make an expression of interest in the property. If any appropriate expressions of interest are received, there will be a six-month moratorium before any disposal can take place (unless it is to an eligible community interest group).
- 8.5 Section 123 of the Local Government Act 1972 allows a Council to dispose of land in any manner it wishes provided that the consideration is the best that can be reasonably obtained, save for the provisions of Section 123(2) of the Local Government Act 1972 General Disposal Consent (England) 2003 whereby a sale can be made at less than best consideration (provided this is at less than £2m difference) for the following reasons:
- (i) The promotion or improvement of economic well-being.
 - (ii) The promotion or improvement of social well-being.
 - (iii) The promotion or improvement of environmental well-being.
- 8.6 The preliminary view of the Council is that restricting the use of Charnwood House to community purposes only may result in less consideration being achieved than if the property were offered to the market with no restriction on use.

- 8.7 When a successful applicant has been approved and final terms are agreed for a letting, formal valuation advice will be obtained to establish the level of any undervalue. If this is below the £2 million threshold, as is anticipated, a final evaluation will be undertaken to confirm the social well-being of North Herts is being improved/promoted.
- 8.8 For the reasons of the promotion or improvement of social well-being, Cabinet is asked to approve this proposed disposal by long lease.
- 8.9 Prospective tenants of Charnwood House will be asked to complete the application form as attached at Appendix A. Their responses will allow an evaluation of each proposal against the following criteria:

Criteria	What Assessed
Community benefit	The extent of community use, social and cultural impact, public benefit, local engagement, and contribution to the visitor economy
Deliverability and organisational capacity	The ability of the applicant to implement the proposal successfully in the context of its experience, governance and staffing
Financial sustainability	Robustness of business plan, funding arrangements, financial resilience and ability to meet lease obligations
Stewardship of heritage building	Ability to care for, maintain and enhance Charnwood House over the term of the lease
Terms of lease	Attractiveness of lease terms, particularly in the context of securing a long-term future for Charnwood House

9. LEGAL IMPLICATIONS

- 9.1 This decision follows the previous Cabinet decision of 2020, which approved the principle of progressing the future use of Charnwood House and envisaged that the terms of any agreed transaction would be presented to Cabinet for approval once finalised.
- 9.2 The Local Government Act 1972 (s111) confirms that a local authority has the power to do anything (including in relation to finance and property) which is calculated to facilitate or is conducive or incidental to, the discharge of its functions.
- 9.3 Section 123 of the Local Government Act 1972 General Disposal Consent (England) 2003 allows a Council to dispose of land in any manner it wishes provided that the consideration is the best that can be reasonably obtained unless the Secretary of State consents to the disposal for less than best value – see additionally 8.5 above.

10. FINANCIAL IMPLICATIONS

- 10.1 The Council set a capital budget of £400k towards capital repairs and refurbishment. To date, funds have been spent to safeguard Charnwood House from further decay and to improve its structural integrity, in addition to asbestos removal, and main electrical works so the property is safe for viewings and future use. The balance of funds, set at a maximum of £360,000, will be made available to the tenant to use towards the restoration of Charnwood House, subject to appropriate safeguards. It can be used alongside any

funding that can be provided by an organisation taking on a lease of the property. It can be spent on capital works to support community use of the building. The Council will seek best value in determining how much funding will be made available.

- 10.2 A long lease to a new occupier is proposed to be on a full repair and insuring basis. This will reduce or eliminate the Council's ongoing maintenance and management costs.
- 10.3 Letting the property will also reduce or eliminate the Council's need to spend further capital on future repairs and upgrading likely to be required to the building, in particular due to Charnwood House's Grade II listed status.
- 10.4 Leasing the property could produce some level of rental income at a future date. This will not be known until the applications are received, assessed and final terms agreed.
- 10.5 The chosen proposal will need to be assessed against Subsidy Control principles, but that is not possible at this stage.

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 The occupation of vacant property by the successful applicant for the duration of the long lease reduces the risk to the Council arising from the duties under the Occupiers Liability Acts of 1957 and 1984.
- 11.3 There is a risk the marketing does not lead to a successful letting. In this situation, the Council will review the reasons why and consider alternative options for the future of the property.

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 policy for Charnwood House to be brought back into use to support community-based activities, recognising the potential value of the asset to local and regional groups could result in greater community inclusion in the area.
- 12.3. Applicants will be scored on how the organisation ensure that their community venture will be welcoming, inclusive and accessible to all sections of the North Herts community. Uses may include some of the following : Meeting spaces / training rooms; Arts, heritage, and cultural activity; Youth, elderly, or family support services; Wellbeing, counselling, and health support delivered by not for profit organisations; Communal workspaces, or shared offices for Voluntary and Community Sector organisations.
- 12.4. The successful applicant will be required to undertake an Accessibility Audit for their approved use and comply with the Equality Act 2010.

- 12.5. The evaluation of applications will include consideration of the proposal's delivery of a welcoming, inclusive and accessible offering. If appropriate an Equality Impact Assessment will be undertaken in respect of the specific details of the offer.

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 Positive or negative environmental impacts have not been identified at the time of writing. When a specific proposal has been agreed an Environmental Impact Assessment will be conducted, if appropriate.
- 14.2 The property has an Energy Performance Certificate rating D. The planned refurbishment and improvements to the property are expected to improve the energy efficiency through upgraded heating, lighting and insulation for example.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no Human resource implications from this report.

16. APPENDICES

- 16.1. Appendix 1 – Application Form
- 16.2. Appendix 2 – BTG Eddisons – marketing particulars
- 16.3. Appendix 3 – Lease Plan

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

- 18.1. Cabinet – 15 December 2020. [Agenda for Cabinet on Tuesday, 15th December, 2020, 7.30 pm | North Herts Council](#)
- 18.2. Record of Decision dated 3 August 2026. [3 August 2026 - Market Charnwood House for Community Use.pdf](#)