

**CABINET
25 SEPTEMBER 2018**

***PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: NORTH HERTFORDSHIRE MUSEUM & HITCHIN TOWN HALL:
ACQUISITION OF 14/15 BRAND STREET (ADDENDUM)**

REPORT OF : THE DEPUTY CHIEF EXECUTIVE
EXECUTIVE MEMBER : COMMUNITY ENGAGEMENT & RURAL AFFAIRS
COUNCIL PRIORITY : RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

A response was received from Hitchin Town Hall Ltd (HTHL)/ Hitchin Town Hall Finance Ltd (HTHF) on 20th September 2018. A lot of the draft agreement is similar to what was expected, but it does omit an important change that had been indicated as agreed and also introduces some significant changes to clauses and definitions. There are also some further changes that had not been agreed, but in the interests of trying to get to an agreement it is considered that they could be agreed to.

2. RECOMMENDATIONS

Subject to consideration of the Part 2 report:

- 2.1 That Cabinet notes the content of this report.
- 2.2 That Cabinet agrees that the Settlement Agreement appended to the Part 2 report will be provided as a final offer to HTHL/HTHF. HTHL would be required to fully accept the Settlement Agreement by holding an Extraordinary General Meeting (EGM) by the 31st October 2018. Subject to agreement in principle and HTHL having set a date for their EGM, a date would then be arranged for mid-November for an extraordinary Cabinet meeting and a Cabinet Sub-Committee (Council Charities) meeting to consider the final Settlement Agreement.
- 2.3 Cabinet agrees that in the event that:
 - HTHL/HTHF do not agree to the Settlement Agreement; or
 - HTHL does not agree to take the Settlement Agreement to an EGM by the 31st October 2018; or
 - the Settlement Agreement is not approved at an EGM of HTHL by 31st October 2018;

the Settlement Agreement and current Purchase Price offer will be withdrawn by the Council. A date for an extraordinary meeting of Full Council will be set to consider the use of Compulsory Purchase powers in relation to 14/15 Brand Street.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To avoid any further extension to the period of negotiation. If required to move to the use of Compulsory Purchase powers as quickly as possible. All with the ultimate aim of being able to fully open the District Museum and Hitchin Town Hall as soon as possible, whilst still protecting the interests of the Council.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 As main report.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 As main report.

6. FORWARD PLAN

- 6.1 As main report.

7. BACKGROUND

- 7.1. As main report.

8. RELEVANT CONSIDERATIONS

- 8.1 Further to the Council's correspondence of 27 July 2018, a response was finally received from Hitchin Town Hall Ltd (HTHL)/ Hitchin Town Hall Finance Ltd (HTHF) on 20th September 2018. A lot of the draft agreement is similar to what was expected, but it does omit an important change that had been indicated as agreed and also introduces some significant changes to clauses and definitions. There are also some further changes that had not been agreed, but in the interests of trying to get to an agreement it is considered that they could be agreed to. HTHL/HTHF had asked for a response to this within 24 hours. Given the timing of this Cabinet, a response has not yet been given, and instead a full response will be provided that reflects the resolutions made at this meeting.

- 8.2 As detailed in the main report, part of the Town Hall site is situated on land owned by the Council as sole trustee of the Hitchin Town Hall Gymnasium and Workmans Hall Trust (the Trust). In anticipation that there could be agreement with HTHL/ HTHF on the terms of the settlement agreement, the process of referring the document to the Trust has been considered. The original Development Agreement specified that the document was signed by the Council both on its own behalf and on behalf of the Trust. The Development Agreement also contained a clause confirming that the liability of the Trust under the agreement was limited to the assets of the Trust from time to time. For this reason the same clauses have been inserted into the settlement agreement along with a definition of the Trust. It is considered that these are minor changes and merely confirm that the Trust (as distinct from the Council) is bound by the agreement.
- 8.3 Whilst HTHL and HTHF have asserted in correspondence that they now have no objections to negotiations taking place in public, the fiduciary duty placed upon the Council means that where matters are commercially or legally confidential then they are treated in such a manner. Accordingly the full details of the response received from HTHL/HTHF are contained within an addendum to the part 2 report.

9. LEGAL IMPLICATIONS

- 9.1 As main report.

10. FINANCIAL IMPLICATIONS

- 10.1 As main report.

11. RISK IMPLICATIONS

- 11.1 As main report.

12. EQUALITIES IMPLICATIONS

- 12.1 As main report.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 As main report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 As main report.

15. APPENDICES

None.

16. CONTACT OFFICERS

Anthony Roche
Deputy Chief Executive
Tel: 01462 474588
anthony.roche@north-herts.gov.uk

Ian Couper
Service Director- Resources
Tel: 01462 474297
ian.couper@north-herts.gov.uk

Marie Searle
Solicitor
Tel: 01462 474315
Marie.searle@north-herts.gov.uk

17. BACKGROUND PAPERS

As main report.