

**CABINET
28 JANUARY 2020**

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: ROYSTON TOWN HALL ANNEXE SITE

REPORT OF THE INTERIM PROPERTY CONSULTANT

EXECUTIVE MEMBER: COUNCILLOR KEITH HOSKINS

COUNCIL PRIORITY: ATTRACTIVE AND THRIVING

1. EXECUTIVE SUMMARY

- 1.1 To seek Cabinet's approval for the declaration as surplus to the District Council's requirements approximately 0.38 acres of land and buildings adjacent to Royston Town Hall as shown edged red on the plan at Appendix A.

2. Recommendations

- 2.1 That redevelopment options should be considered to replace the existing annexe building and redevelop for alternative uses.
- 2.2 Following full negotiations with interested parties, terms of any agreed transaction and form of development should be presented to the Cabinet for approval.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To provide additional rental income for the District Council.
- 3.2 To reduce ongoing maintenance costs for this property.
- 3.3 To bring a valuable town centre asset into full economic use

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Disposal of the property has been discounted as this area of land is integral to the District Council's and Royston Town Council's larger ownership of adjacent property, and offers an opportunity to create a valuable property investment.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Consultation on the principle to consider redevelopment of the site has begun with notification to Royston Town Council and the Ward Councillors. Comments yet to be received and it is intended to arrange a meeting with the appropriate members to fully consider this proposal.
- 5.2 Citizens Advice North Herts make part time use of the property and discussions are underway with them to consider alternative arrangements that may be suitable. The property is also used for occasional hiring.
- 5.3 The Council has not yet advertised the proposal in accordance with sections 123(2A) and 127(3) of the Local Government Act 1972 and section 233(4) of the Town and Country Planning Act 1990 given that the form of any transaction is as yet not determined.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 20th December 2019

7. BACKGROUND

- 7.1 The site is of 0.38 acres and located immediately to the north-east of Royston Town Hall. The site is within an area of significant Council land holdings, albeit the main car park area is held under a lease from Hertfordshire County Council.
- 7.2 At present the accommodation on the site is of single storey offices under a flat roof. The construction is of a poor quality and of an ageing timber structure that is costly to maintain and heat.
- 7.3 The offices are only used on a part time basis by Citizens Advice North Herts and for occasional hiring.
- 7.4 The site represents an excellent opportunity for redevelopment being close to the town centre and adjacent to car parking, the NHS Health Centre and the Town Hall.

8. RELEVANT CONSIDERATIONS

- 8.1 The redevelopment of this site for alternative uses will:
- Visually enhance this prominent site;
 - Bring an end to ongoing maintenance costs;
 - Create employment opportunities;
 - Provide a useful service and facility for the community;
 - Create rental income for the District Council.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet in exercising its functions have powers to dispose of land or buildings where the consideration is between £250,000 and £2,500,000.

- 9.2 There may be specific legal implications relevant to the development of the property e.g. covenants on title, easements, third party rights. However preliminary title investigations do not reveal any issues that would frustrate the proposed development.
- 9.3 The Contract Procurement Rules and specifically Appendix I apply to the sales of land or property. If Cabinet were to sell this land the Officers seeking to market and dispose of the land would be required to do so within the remit of the Contract Procurement Rules.
- 9.4 Section 123 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 unless the Secretary of State consents to the disposal for less than best value.

10. FINANCIAL IMPLICATIONS

- 10.1 The redevelopment will generate rental income either as a return upon land as a ground rent or as a full market rent upon a development funded by the District Council. Negotiations will require to deliver an appropriate return on any capital to be invested in line with the risk profile of such investment. Consideration may also need to be given to social benefit of any scheme and of any accommodation to be delivered for the social benefit of the wider community.
- 10.2 The redevelopment will reduce the District Council's maintenance costs and avoid the need to spend capital on future repairs and upgrading likely to be required to the building in the near future due to its poor construction.
- 10.3 Annual budget for rates, electricity and gas is £10,500 per annum.
- 10.4 Annual compliance costs for the building are budgeted at £2,038 with additional reactive costs for maintenance.
- 10.5 North Herts Citizens Advice occupies part of the property on a part time basis on a rent free basis.

11. RISK IMPLICATIONS

- 11.1 The redevelopment and full occupation of partly used assets reduces the risk to the District Council arising from the duties under the Occupiers Liability Act 1957 and 1984.
- 11.2 There are no risks relevant to the consideration of this decision. Risks may exist as to the terms and feasibility of any redevelopment proposal however the terms of any such transaction will be referred to Cabinet for approval.

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 Citizens Advice North Herts provides an important advisory service to residents. Alternative arrangements for this service should be a key consideration. The final redevelopment may require the completion of an Equality impact assessment.

13. SOCIAL VALUE IMPLICATIONS,

13.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at paragraphs 12.

14. HUMAN RESOURCE IMPLICATIONS

14.1 There are no Human resource implications from this report.

15. APPENDICES

15.1 Appendix A - Location Plan of Royston Town Hall Annexe

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

17.1 None.