

KIDSGROVE TOWN HALL AND THE VICTORIA HALL.

Submitted by: Executive Director – Regeneration and Development

Portfolio: Regeneration and Planning

Ward(s) affected: Town

Purpose of the Report

To inform Members of the negotiations taking place with Kidsgrove Town Council in respect of formalising the ownership of the Town Hall and the Victoria Hall and to update Members as to the current situation in respect of the letting of surplus space to third party partner organisations.

Recommendations

That Cabinet approve the actions taken:

- (i) That an offer has been made to Kidsgrove Town Council in respect of formalising the freehold ownership of the Town Hall and the Victoria Hall.**
- (ii) That agreement for a lease has been reached with the Staffordshire County Council (who are in occupation) and negotiations are ongoing with Staffordshire Police Authority in respect of relocating to the Town Hall from the existing Police Station.**

Reasons

- (i) To formalise the ownership of the Town Hall to the Borough Council and the Victoria Hall to Kidsgrove Town Council.
- (ii) To continue with the rationalisation of the Council's property ownership which identifies surplus space and seeks to dispose of this space either by way of sale or letting where possible. This approach is consistent with the Council's objectives about making the best use of resources and achieving efficiencies in operational activities without detriment to front-line services.

1. Background

1.1 Members will be aware that accommodation rationalisation is an important element of the Council's Transformation Programme (as part of a sub-programme called "The Way We Work"), with the original Transformation Programme key aims being to:-

- Deliver efficiency savings.
- Develop new ways of working.
- Improve performance.
- Improve customer service.

1.2 As a result of the Local Government Act 1972 Kidsgrove Urban District Council was absorbed into Newcastle Borough Council and Kidsgrove Town Council was formed. At that time the Borough Council agreed that the Town Council would have the right to retain the Victoria Hall, part of Urban District Council's ownership of the joint Town Hall and Victoria Hall complex, although this was never legally formalised. Negotiations have taken place between your Officers and the Town Council and the following offer has been made by your Officers:

The Borough Council and Town Council in partnership will endeavour to register the freehold title at the Land Registry of the following:

- The Victoria Hall to the Town Council. (In recognition of the 1974 resolution by the Borough Council).
- The remainder of the site and the Town Hall to the Borough Council with joint ownership, of the ground floor toilets and current Town Council office, within the Town Hall.
- The Town Council require further office space within the Town Hall to include interview room 2 and the adjacent waiting area which will be let to them in exchange for the Borough Council having use of the office currently used by the Town Council.
- The Borough Council will have the use of the Victoria Hall in the event of a major emergency which renders the Civic Offices out of action.

1.3 The first floor of Kidsgrove Town Hall was vacated by Staffordshire County Council (social services team) some years ago. However your Officers have negotiated the re-letting of part of this space to Staffordshire County Council (Children's Services) on commercial terms approved by the Portfolio Holder for Regeneration and Planning. The remaining first floor space, part of the ground floor and a garage have been offered to the Staffordshire Police Authority and negotiations are ongoing.

2. **Issues**

2.1 Kidsgrove Town Council has not yet formally accepted the offer that has been made as described above.

2.2 The Police Authority has formally approved the relocation of the functions of Kidsgrove Police Station into the Town Hall consequently your officers can now finalise the negotiations in respect of this letting to the Police Authority.

3. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

3.1 The disposal (by way of lease) of surplus space will enable the Council to realise a revenue income stream that can be used to support service delivery. It will also reduce its share of running costs for the building (achieving a significant financial efficiency) and in consequence its own carbon footprint (consistent with the Council's Carbon management Plan objectives).

3.2 It is anticipated that the occupation by Staffordshire Police will contribute to the Council's priority relating to Safer and Stronger Communities by improving joined-up service delivery and similar service delivery outcomes are expected to emerge from the co-location of the County Council and health partners.

3.3 The letting of this accommodation will assist partner organisations in the delivery of their services/achievement of their strategic objectives.

4. **Legal and Statutory Implications**

4.1 These lettings will be subject to formal business leases.

5. **Equality Impact Assessment**

5.1 There are no direct implications arising from this report.

6. **Financial and Resource Implications**

- 6.1 Upon completion of the leases the Council will obtain a new rental income stream totalling £14,500 pa and a reduction in running cost expenditure, estimated to be in the region of £40,000 per annum thereby equating to a total annual efficiency saving to the Council of approximately £54,500 p.a. (in a full year).

7. **Major Risks**

- 7.1 That the Town Council may reject the offer made to regularise the freehold ownerships with a consequence that any dispute will be subject to legal action.
- 7.2 Until formal leases are completed there is a possibility that the prospective tenants may withdraw from occupancy of the building. Thus the anticipated income streams would be deferred until such time as alternative/replacement occupiers can be found.

8. **Key Decision Information**

- 8.1 The decisions will enable significant financial efficiency savings to be achieved.

9. **Earlier Cabinet/Committee Resolutions**

- 9.1 Minute 235/74 of Policy and Resources Committee – 13 March 1974

10. **Background Papers**

Asset Management Strategy
MTFS and capital and revenue budgets