

Wiltshire Council

**Trowbridge Area Board
15 March 2012**

**Cabinet (Capital Assets) Committee
21 March 2012**

**Subject: Proposal for the Community Asset Transfer of
Trowbridge Town Hall**

**Cabinet member: Councillor Toby Sturgis - Waste, Property, Environment
and Development Control Services**

Key Decision: No

Executive Summary

Trowbridge Town Hall will become vacant during October 2012 when the Coroner's Service relocates to Salisbury. The property has been assessed to be unsuitable for the provision of Council services, and significant investment is required to enable the building to be returned to sustainable and viable use. On that basis, the Town Hall will be declared surplus on vacation of the building later in 2012.

Following an invitation made through the Trowbridge Area Board, a proposal has been submitted by the Trowbridge Town Hall Group, requesting a period of grace during which they intend to explore viable uses further, whilst investigating opportunities for grant funding and undertaking key activities related to the constitution and governance of their group.

The group request that the Council supports the building in a vacant state whilst they undertake a phased process of developing their group, its intended uses of the building and investigating and securing funding opportunities. This exposes the Council to additional revenue costs and risks related to the securing and maintenance of the property during this period of time.

Proposal

That:

- Members of the Trowbridge Area Board consider the proposal made by the Trowbridge Town Hall Group, and make a recommendation to the Cabinet (Capital Assets) Committee on the basis of the issues identified in this paper.
- Members of the Cabinet (Capital Assets) Committee consider the proposal made by the Trowbridge Town Hall Group, and approve

investigation of potential funding opportunities in line with the approach set out in paragraphs 8 and 9 of the report, acknowledging the unfunded revenue pressure this will place on the transformation property revenue budget, as identified in the body of this report.

- Members of both the Area Board and Committee receive a further report on progress later in 2012, to evaluate the way in which the Group's proposals have developed, and to confirm the commitment to maintaining the property vacant for a further period of time. Members should expect to see good progress at this stage and assurance as to the timeframes for the following stages leading up to the transfer of the asset.

Reason for Proposal

To fully explore a long term, sustainable future for a key community asset.

To support the ambitions of the Trowbridge community to bring a locally significant asset back into public use.

To responsibly dispose of a building which is surplus to Council needs, and inefficient to maintain and run without significant investment.

Dr Carlton Brand
Corporate Director

Wiltshire Council

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Purpose of Report

1. The purpose of this report is to outline the proposal that has been developed by Trowbridge Town Hall, for the future transfer of Trowbridge Town Hall for the purposes outlined in the proposal contained in Appendix A.

Background

2. Trowbridge Town Hall has been used by the Coroners Service for the past few years, but this use will cease by the end of October 2012. An item was presented to the Trowbridge Area Board in July 2011, to request expressions of interest from community groups who may be interested in expressing interest in the property under the Council's Community Assets Transfer policy. NB: At that time the property was expected to become vacant in January 2012.
3. In line with the policy, expressions of interest were requested at which point it was intended that the Area Board would decide whether any expressions warranted further exploration and development into a Business Case for transfer.
4. The building is in need of significant investment to make it fit for use for any viable purpose, due to its antiquated mechanical and electrical systems, issues around condition of the building fabric, accessibility and suitability for a long term, sustainable future. The Council have recently carried out stonework repairs to the building to address elements of deterioration in the external fabric.

Main Considerations for the Council

5. Officers of Strategic Property Services have been in discussion with the Trowbridge Town Hall Group, who have identified an interest in developing the Town Hall as a public facility centred around the provision of a venue for the professional arts.
6. The group has as yet not been formally constituted, but are receiving advice from the Asset Transfer Unit (www.atu.org.uk) on issues of Governance and Business Case preparation. The Asset Transfer Unit offer advice and input to community groups, funded by DCLG up to 5 days, to support them through an asset transfer process. A preliminary meeting has been held with members of the group to commence this process.
7. The Group seek to develop their proposals, contained in Appendix A, with a view to making applications for grant funding for capital and revenue funds, from funding bodies such as the Heritage Lottery Fund and the Arts Council.
8. The Group therefore seek from the Council an initial period up to September 2012 during which they intend to fully resolve the governance of the group, make preliminary enquiries with funding bodies, to carry out pre-feasibility work to appraise them of the likely scale of the works necessary in the building and to evaluate potential revenue income streams which would diversify the source of funding for their proposals. A more thorough definition of the stages of work is identified on pages 5-7 of the group's proposal at Appendix A.
9. Following this initial period, it is expected that it will take at least a further year to be in a position to secure funding through appropriate bodies, through two further stages of development. The transfer of the asset would take place once funding is secured, although the Council may be requested to confirm its intention to transfer ahead of this point, subject to appropriate conditions.
10. The Group are conscious of making links with the now constituted Community Operations Board (COB), to tie up community needs across the Community Area. Tracy Sullivan, one of the group's lead members, is a deputy member of the COB.
11. The asset is generally considered to be non-strategic in nature, due to its unsuitability for delivering Council services, and its relatively low market value. On this basis alone, it would be normal for the Town Hall to be considered a "Category 2" asset under the Council's Community Asset Transfer policy. The recent Committee paper confirming the Council's Community Asset Transfer policy is included in Appendix B for reference purposes.
12. However, in this instance, due to the period over which the building will need to be maintained as vacant whilst the Town Hall Group progress their project to secure funding, the revenue burden of this decision is considered important to the decision to support the proposal. For this

reason, this application is proposed to be dealt with as a “Category 1” or Strategic Asset, to vest the final decision making with the Cabinet (Capital Assets) Committee, based on a recommendation from the Area Board.

13. Any future transfer of the asset is proposed to be a freehold transfer in accordance with the Councils policy on this matter.

Environmental and climate change considerations

14. Any development of the Town Hall will be expected to demonstrate key improvements in the energy efficiency of the building, and therefore to reduce its CO₂ emissions. This is likely to be a requirement of any funding body, but the Group have also confirmed their commitment to fully exploring opportunities through their proposals, which in themselves will reduce the revenue burden of the building in the long term.
15. Due to its historic wood panelling, the building needs to be kept at a constant temperature. Whilst the building is vacant, the council will ensure the energy and heating provided to the building will be kept to the minimum required to protect the building, in order to reduce the council’s CRC liability.
16. An eventual transfer of the building to a third party will include the transfer of responsibility for energy and heating, and this will therefore reduce the council’s own emissions responsibility.

Equalities Impact of the Proposal

17. Likewise, any development of the Town Hall will be expected to demonstrate key improvements in the equality of access to the functions undertaken in the building. The Council will expect to see a demonstration of how these issues are addressed in any eventual scheme prior to commitment to the transfer.

Risk Assessment

18. Key risks:
 - Financial impact of maintaining the building in a vacant state – eg. heating, security.
 - Ongoing maintenance risk related to keeping the building whilst vacant – eg. deterioration of external fabric.
 - Failure of the Group’s to achieve their funding ambition – deferring commencement of a sale on the open market.

Financial Implications

19. The annual costs of maintaining the Town Hall as a vacant building are considered to be in the order of £40-60,000. The use of the building by

the Coroners' Service is expected to last until October 2012, contributing a sum of approximately £12,500 to the running costs of the property during the period from 1 April to 30 October. The residual cost would be allocated the property revenue budget, but would in itself present an unfunded revenue burden. A contribution in the order of £25,000 per annum are paid by the Coroners' Service, but this arrangement will cease on vacation of the service, expected to be in October 2012 when the service relocates jury hearings to refurbished premises in Salisbury.

20. These costs would be bourn if the property were placed on the open market, whilst suitable purchasers are secured. An open market sales process is expected to be a lengthy process regardless of when this happens. The full impact of the proposal is therefore to cover over 18 months of revenue costs prior to sale in the event that the transfer does not happen.
21. In the absence of a special purchaser, the market value of the property is considered by Strategic Property Services to be below £250,000. Early soft market testing over the past year or so has indicated a severely depressed market for this type of property. It is expected that a significant marketing period would be required, with no guarantees as to the robustness of proposals for its future use. Any sale would have to be made in accordance with English Heritage's guidance on the sale of heritage assets, which seeks to provide assurances of responsibility of purchasers.
22. The Trowbridge Town Hall Group have secured an Area Board Grant of £8,000 which has been matched by the Trowbridge Area Communities Future (TCAF). The Group therefore have funds of £16,000 available to develop their feasibility work over the next six months.

Legal Implications

23. No legal implications at this stage, although input will be provided by the Legal Services to the proposed approach to a future transfer. The Town Hall Group are aware of the need to appoint their own legal advisors to assist with matters related to the constitution of their group and the eventual transfer.

Options Considered

24. Open market disposal of the property – this would progress attempts to dispose of the property at an earlier stage than would be possible should the proposal not result in a transfer.
25. Use of the building for delivery of Council services – the building has been considered on a number of occasions over previous years in relation to the feasibility for its use for provision of Council services. This has previously led to a conclusion that any possible uses have not been considered viable due the extent of works required to the building, and the

long term revenue burden presented by the property. In addition to this, the Town Council have also given consideration to their own use of the building, and likewise drawn the same conclusion.

Conclusion

26. The Town Hall will cease to be used by Wiltshire Council in October 2012, following which the building will become surplus to requirements.
27. The proposal from the Trowbridge Town Hall Group enables a sustainable, long term use of the building by members of the community to be explored fully, before further decisions can be made as to whether to complete a Community Asset Transfer to the group, or to seek disposal of the property on the open market.

Dr Carlton Brand
Corporate Director

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24 February 2012

Background Papers

None

Appendices

Appendix A – Trowbridge Town Hall Group – Proposal for Council Asset Transfer

Appendix B – Cabinet (Capital Assets) Committee paper – Policy for the Transfer of Community Assets, 26 July 2011