

REPORT FROM: CORPORATE DIRECTOR

TO: EXECUTIVE

DATE: 26th MAY 2016

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TRANSFER of COLNE TOWN HALL

PURPOSE OF REPORT:

To seek approval for the transfer of Colne Town Hall and related land and buildings to Colne Town Council.

RECOMMENDATIONS

- (1) That the terms of transfer outlined below be approved.
- (2) That the Corporate Director in consultation with the Leader and Deputy Leader be authorised to agree any detailed issues.

REASON FOR RECOMMENDATIONS

To continue the programme of disposal of community assets to town and parish councils.

1. Councillors Iqbal and Greaves together with the two Directors have met with representatives of Colne Town Council to discuss the transfer of the Town Hall. The outcome was as follows.
2. The transfer will comprise the Town hall building itself; the Annexe together with the three shops 5, 7 and 9 Newmarket Street; the land on the opposite side of Albert Road on which the flagpoles and surrounding feature stand together with the adjoining grassed area; the garage at the rear of the Town Hall (subject to satisfactory arrangements for housing the Council's town centre sweeping equipment).
3. There will be further discussion on the possible inclusion in the transfer of the first floor accommodation above the adjacent shops on Albert Road and the shops themselves.
4. The consideration for the transfer will be a nominal £1.

5. The transfer will include a covenant by the Town Council not to dispose of the property for a non-community use for 10 years and a right of pre-emption for Pendle Council should the Town Council wish to dispose of it.
6. Rights will be reserved to Pendle Council for the free use of the Town Hall for Area Committee and other Council led meetings together with use as a polling station; and for display of Council notices.
7. The regalia, paintings, furniture, equipment and documents in the building will be included in the transfer and an inventory of these agreed.
8. The Town Council will take on responsibility for the Town Hall Clock, Flag and flag flying.
9. The Town Council will arrange its own caretaking and cleaning.
10. The Town Council's intention following transfer is to have the building staffed and open five days a week as a community hub with a mix of occupiers and users e.g. community groups and some commercial uses. To start with Pendle Council will continue to provide telephone and PC facilities for members of the public to contact the Nelson contact centre.
11. The Town Council intends to seek Heritage funding for work to the building
12. The firm intention on both sides is to complete the transfer by 30th September 2016 by which date Pendle Leisure Trust staff will re-locate to Pendle Council office accommodation in Nelson town centre.

IMPLICATIONS

Policy: The Council's policy is transfer community buildings to parish and town councils.

Financial:

The financial implications arising from the proposed transfer are as follows:

Capital

Based on the Council's asset register as at 31st March 2016 the Town Hall has a current net book value of £1.332m. This is the book value of the land and buildings. No value has been determined for the items referred to in paragraph 7.

The Town Hall is a listed building and a valuation for insurance purposes has recently been obtained from LeaHough Chartered Surveyors. They have assessed the building's reinstatement value at £5.045m inclusive of professional fees.

The two shops on New Market Street (No's 7 and 9) have a combined net book value currently of £86,000. Shop No.5 is not separately recorded on the asset register and forms part of the overall Town Hall assessment.

No capital receipt will result from the transfer given the proposed consideration of £1.

Revenue

Excluding depreciation charges, the net costs of Colne Town Hall in 2015/16 were £14,550. This comprised running costs of £35,400 less rental income of £20,850. The approved budget in the current year is £28,310 (excluding depreciation).

The shops on New Market Street currently generate a combined rental income of £13,000 per annum; a gross yield of c10%. All rental income will accrue to the Town Council post transfer.

If the transfer proceeds as proposed then Pendle Leisure Trust will need to relocate from the building. This featured in the final budget agreed by Council in February and formed part of the savings expected in the current year on the Council's grant that it pays to the Trust.

No account has been taken in either the capital or revenue implications outlined above of the shops in Albert Street as currently these do not form part of the proposed transfer.

Legal: The transfer document will contain the restrictions and rights referred to above.

Risk Management: None arising directly from the report

Health and Safety: None arising directly from the report

Sustainability: None arising directly from the report.

Community Safety: None arising directly from the report

Equality and Diversity: None arising directly from the report.

APPENDICES

Location Plan

LIST OF BACKGROUND PAPERS