

REPORT OF: CHIEF EXECUTIVE

TO: POLICY AND RESOURCES COMMITTEE

DATES: 24th OCTOBER 2019

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ELLIOTT HOUSE, NELSON

PURPOSE OF REPORT

1. The purpose of this report is to seek the Committee's agreement to a proposed disposal strategy for Elliott House, Nelson.

RECOMMENDATIONS

2. The Policy and Resources is recommended to agree either:-
 - a) That full expressions of interest (along with sealed bids to acquire the building) are invited from both Positive Action in the Community and The Lightbeam Academy and that details of these are reported to the meeting of this Committee in December 2019;
 - Or
 - b) That Elliott House is offered for sale on the open market (*this option would not preclude both Positive Action in the Community or The Lightbeam Academy from submitting bids to acquire the building*);

REASON FOR RECOMMENDATIONS

3. To dispose of the building and to realise the savings assumed in the Council's budget and a capital receipt from disposal.

ISSUE

4. At the meeting of this Committee in June 2019, Councillors considered a report on the future of Elliott House, Nelson. As Councillors are aware, as part of the Council's Office Accommodation Rationalisation Project, Elliott House is now surplus to the Council's requirements, with all of the Council's office-based staff accommodated either in Nelson Town Hall or Number One Market Street.

5. Following consideration of the report, it was resolved:-
'That Elliott House, Nelson be declared surplus to requirements and the Chief Executive be grant delegated authority to agree terms for a lease or disposal as appropriate'.
6. Since the meeting in June 2019, the Council has been approached by both Positive Action in the Community (PAC) and The Lightbeam Academy who wish to acquire the building.
7. PAC is a well-established local registered charity working across Pendle, Burnley and Rossendale that works to support people to build emotional resilience, improve their emotional health and wellbeing and improve their education and employment changes and move on live independent lives. They undertake a range of projects including the provision of supported accommodation to homeless young people, support to adults and children affected by domestic violence and early support for families who are struggling to cope.
8. The Lightbeam Academy is based in Nelson and was established in 2017. The Academy aims to provide a well-rounded, holistic and quality Islamic Education to young children aged 5-16 in Pendle. The Academy actively engages in supporting the local community, particularly local homeless initiatives and food banks as well as developing new programmes aligned to building a cohesive and respectful community.
9. Initial discussions have taken place with both organisations to assess their level of interest and to understand better their proposals for the building. In both cases, each organisation has confirmed an intention to acquire the building from the Council and proposals to develop the building into a community hub. PAC intend to co-locate their various initiatives into the building and will seek to work with other partners to ensure that it is fully occupied. Likewise, The Lightbeam Academy will co-locate their activities along with other partners including a local food bank into the building.
10. Given the proposed use of the building, Councillors may wish to consider inviting full expressions of interest (along with sealed bids to acquire the building) with a view to agreeing a disposal by way of a negotiated tender process.
11. As a result of the discussions referred to above, the building has not yet been offered for sale on the open market. A key concern is that, given the prominence of the building as part of the Town Centre, it is brought back into a sustainable use and not acquired simply for speculative development. Nevertheless, offering to dispose of the property on the open market remains an option that Councillors may wish to consider.
12. Whichever disposal strategy Councillors opts for, it is important that the Council disposes of the property for a sustainable use. Equally, given the savings have been included in the budget, the disposal needs to be completed as soon as possible. For that reason, it is proposed that as part of the disposal strategy, any sale must be concluded by 31st December 2019.

IMPLICATIONS

Policy

13. There are no policy implications arising directly from the contents of this report.

Financial

14. As Councillors will be aware, vacating Elliott House, Nelson was part of the Office Accommodation Rationalisation Project which was estimated to yield savings of c£50,000 as part of the 2019/20 budget. As the property remains in the Council's ownership, it has not been possible to realise the full savings for 2019/20 hence the proposal to ensure any sale is completed by 31st December 2019.
15. Disposal of the property should result in a capital receipt to the Council.

Legal

16. There are no legal implications arising directly from the contents of this report.

Risk Management

17. Elliott House, Nelson is a prominent building in the Town Centre of Nelson. The building has been well maintained by the Council since it was built. As with other buildings in the Town Centre, eg Trafalgar House, there is a risk that if the building is sold on the open market, it will be acquired for a speculative development. It is important, therefore, that as part of Councillors deliberations on the disposal, it is for a use which is sustainable.

Health and Safety

18. There are no Health and Safety implications arising directly from the contents of this report.

Climate Change:

19. There are no climate change implications arising directly from this report.

Community Safety

20. There are no community safety issues arising directly from the contents of this report.

Equality and Diversity

21. There are no equality and diversity implications arising directly from the contents of this report.

APPENDICES

None

LIST OF BACKGROUND PAPERS

Report to Policy and Resources Committee on 27th June 2019