



Cabinet

Tuesday, 11 June 2019

Marketing Options: Lutterell Hall

**Report of the Cabinet Portfolio Holder for Business and Transformation
Councillor Andy Edyvean**

1. Purpose of Report

- 1.1. The Council's community contact centre has been based at West Bridgford Police Station since April 2011 as part of a very successful partnership with Nottinghamshire police which has seen the Council provide front desk services for the police in West Bridgford. The Council operates its face to face services from the police station, with residents coming to the site for services such as revenues or benefits meetings, appointments to see planning officers, taxi licensing and housing options as well as the police face to face service.
- 1.2. The arrangement is part of an agreement with the police whereby the Council paid for the capital investment in the building to convert it to the contact centre and in return have received rent-free occupation of the site. However, the police have recently taken a decision to vacate West Bridgford Police Station and base their staff in another West Bridgford location. Nottinghamshire Police would like to dispose of the current site and has served notice on the Council to leave the premises by August 2020.
- 1.3. This report is not about the future location of the Council's West Bridgford Contact Centre but rather whether the Council should, when the police market the police station also market the adjacent Lutterell Hall for disposal at the same time as it may be advantageous with regards achieving a strong capital return for the site. The recommendation of this report is not to dispose of the site, but to test the market for disposal.

2. Recommendation

It is RECOMMENDED that Cabinet

- a) Agrees that Lutterell Hall (as shown in the redline plan in appendix 1) is marketed for disposal for redevelopment at the same time that Nottinghamshire Police market the adjacent plot
- b) Receives a future report setting out offers received for Lutterell Hall following the marketing period that can be appraised alongside the option to retain Lutterell Hall for community or other use.

3. Reasons for Recommendation

Nottinghamshire Police will be marketing the adjacent plot for disposal. This provides an opportunity to jointly market the site with or without the inclusion of

Lutterell Hall so that Members can make a considered decision on the future of Lutterell Hall once offers have been received and can be weighed up against community and other investment implications.

4. Supporting Information

4.1. Lutterell Hall is the former church hall for St. Giles Church in West Bridgford and has been operated by the Council for over 40 years. The hall was previously called West Bridgford Community Hall and underwent extensive refurbishment in 2010 when a new kitchen was put in along with improvements to the floor, bar/cellar, toilets, side entrance, fire-doors and interior decoration.

4.2. Lutterell Hall is situated on the corner of Church Drive and Bridgford Road in Central West Bridgford. The main hall is 15 metres x 12 metres and has a capacity of 190 people, with an ancillary room which is used on a week day basis (term-time) by St Giles Playgroup. The venue is hired to regular users and one-off celebrations, with a summary of usage types and frequency as follows:

- St. Giles Playgroup – week days term-time only
- Community group meetings – typically held monthly
- Exercise/dance classes – weekly
- Singing group – weekly
- Sunday school – weekly
- Children’s parties – 20 bookings in 2018/19
- Wedding receptions – 8 bookings in 2018/19
- Adult celebrations - 16 bookings in 2018/19

4.3. Despite several marketing campaigns usage of the hall has fallen over recent years. Utilisation rates (based on 11 hours available to hire per day) has fallen from 53% in 2016/17 down to 46% in 2018/19. Attendance numbers have similarly fallen from 32,200 in 2016/17 down to 23,700 in 2018/19 representing a drop of 8,500 attendances. During this period there has been an increase in competition from other function rooms and a number of regular hirers have found alternative venues or have cancelled bookings due to poor attendance.

4.4. The following table sets out the expenditure and income of running the hall in recent years.

	2016/17	2017/18	2018/19
	£000	£000	£000
Expenditure	92	99	88
Income	(62)	(48)	(47)
Net Revenue Costs	30	51	41

4.5. Included in the above are planned maintenance costs for the last three years are as follows: 2016/17 = £5k, 2017/18 = £13k and 2018/19 = £8k.

4.6. Due to the age of the building the venue is scheduled to have some significant capital improvements over the next five years in order to keep the facility in a good condition. Works recommended include a heating upgrade, rewiring, roofing, and refurbishment to toilets and kitchen at an estimated cost of £275k.

This provision is contained in the Council's capital programme. Longer term other capital costs will be incurred.

- 4.7. Lutterell Hall is one of several community facilities in the West Bridgford area that are run by the Council and form part of the West Bridgford special expense area. The other community facilities in West Bridgford with meeting spaces are Sir Julien Cahn Pavilion, West Park Pavilion, Gamston Community Hall, Gresham Sport Pavilion. These facilities are not operating at full capacity and have the potential to accommodate some of the displaced demand if Lutterell Hall was no longer available.
- 4.8. The hall has been reviewed several times as part of the Council's transformation plan. This included consideration of repurposing the building for example to incorporate an indoor market, residential development, creating an open-plan co-working space and conference facility or developing serviced offices. An initial high level evaluation identified that disposal of the asset has the potential to be more attractive in terms of risk and return.
- 4.9. The Council's capital resources are being exhausted and any capital receipt would be utilised to support the Council's corporate plan.
- 4.10. As set out in paragraph 4.2 the hall is largely used for community use, albeit it is not at capacity. The Council has been approached by a local community group who would like to take the hall on a long term lease, using it themselves whilst retaining a large degree of community use. This group will be invited to put forward a bid for the hall as part of the marketing campaign to be considered alongside any commercial bids.
- 4.11. The Lutterell Hall site is in a mixed use residential and commercial area, close to the main shopping area of Central Avenue. The former ambulance site on Rectory Road has been sold and is currently being built out as residential accommodation. Lutterell Hall is opposite a grade 2 listed site (St Giles' Church) and so any development would need to be sympathetic in terms of design and massing in relation to the church. Lutterell Hall is not listed or registered as an asset of community value. There are no covenants on the site that would prevent a disposal.
- 4.12. The land may be of interest as residential or commercial or retail use. It is recommended that the land is marketed with the police land as one large site or two separate sites so that the bids can be assessed either including the Council's land holding or without it.
- 4.13. Subject to Cabinet taking the decision to market Lutterell Hall, the current regular hirers will be advised that a marketing exercise will commence with bids being considered by Cabinet towards the end of the year.

5. Alternative Options Considered and Reasons for Rejection

- 5.1. The Council can choose not to take part in the marketing exercise with Nottinghamshire Police and retain the option to market the site on a stand-alone basis in the future. This is not recommended as marketing at the same time as the police as either one large site or two separate sites will establish the best value the Council could realise from the sale of Lutterell Hall.

Furthermore, the marketing exercise would provide a benchmark against which to appraise other options for future use of the asset.

- 5.2. The Council could retain the asset and hold it as a backstop facility for potential relocation of the Council's Community Contact Centre. Work to identify suitable alternative provision for the contact centre is ongoing and the associated risk is being monitored. This will be considered as part of future reports.

6. Risks and Uncertainties

- 6.1. Marketing the site for a potential disposal does not commit the Council to selling it. Any offers will be appraised and presented to Cabinet for consideration. On taking the decision to market the site regular users will be kept informed of the process. Any disposal will accord with the Council's Disposal and Acquisition Policy.
- 6.2. Some groups have been customers for many years and irrespective of the outcome of a potential marketing exercise the lack of certainty over a future operating base may cause some unrest. The process may have a detrimental impact on bookings as for example, regular hirers may seek an alternative venue and one-off hirers may be discouraged from booking by the lack of certainty.
- 6.3. Any other risks will be considered in a follow up report which will detail the offers, should Cabinet take the decision to market the site.

7. Implications

7.1. Financial Implications

7.1.1. See income and costs information in paragraph 4.4, 4.5, 4.6 and 4.9.

7.1.2. Inclusive of recharges, Lutterell Hall is a cost to the West Bridgford Residents: £30k 2016/17; £51k 2017/18; and £41k 2018/19. Future capital works have been identified at a total of £275k and this would be covered by additional annuity charges to the West Bridgford Special Expense. Potentially a disposal will reduce the West Bridgford Special Expense, and provide further capital resources and reduce future capital pressures for the Council.

7.1.3. The facilities management recharges to the Hall have been £59k 2016/17 and 2017/18, and £55k in 2018/19. This recharge is for staff time and overheads. If the Hall was disposed of, these costs would either need to be absorbed elsewhere or the staffing structure would need to be reviewed.

7.2. Legal Implications

7.2.1. There are no legal implications from marketing Lutterell Hall.

7.3. Equalities Implications

7.3.1. There are no equalities implications from marketing Lutterell Hall. An equalities impact assessment on potential displacement of users would be undertaken and reported in a subsequent report to Cabinet later in the year.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

7.4.1. There are no Section 17 implications from marketing Lutterell Hall.

8. Link to Corporate Priorities

This report links to all three of the Council's Corporate Strategy key themes of:

- Delivering economic growth to ensure a sustainable, prosperous and thriving local economy
- Maintaining and enhancing our residents' quality of life
- Transforming the Council to enable the delivery of efficient high quality services.

8.1. This report recommends marketing Lutterell Hall rather than disposal. However a potential follow on report later in the year would affect the Council's efficiency of service delivery and economic and/or community social benefit.

9. Recommendations

It is RECOMMENDED that Cabinet

- a) Agrees that Lutterell Hall (as shown in the redline plan in appendix 1) is marketed for disposal for redevelopment at the same time that Nottinghamshire Police market the adjacent plot
- b) Receives a future report setting out offers received for Lutterell Hall following the marketing period that can be appraised alongside the option to retain Lutterell Hall for community or other use.

For more information contact:	Kath Marriott Deputy Chief Executive 0115 9148291 kmarriott@rushcliffe.gov.uk
Background papers available for Inspection:	None.
List of appendices:	Appendix 1: Redline plan - Rushcliffe Borough Council land ownership

Appendix 1 - Redline plan, Rushcliffe Borough Council land ownership

