

**Report to:** Cabinet

**Date of Meeting:** 7 October 2019

**Report Title:** Old Town Hall, High Street

**Report By:** Peter Grace  
Assistant Director Financial Services & Revenues  
(Chief Finance Officer)

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### **Purpose of Report**

To consider the disposal of the Old Town Hall, High Street, Hastings

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### **Recommendation(s)**

#### **1. Dispose of the Old Town Hall**

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### **Reasons for Recommendations**

The property is considered surplus to Council requirements and has significant holding costs.

In the absence of interest in renting the building at a commercial rental, the Council has considered a number of options. These have included disposal, refurbishment, rental for alternative use and to seek a change of use from Planning. The property is listed as an asset of community value.

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## Background

1. The property is a two-storey listed building most recently used as an indoor children's playground.
2. The property became vacant in October 2018 as the lease was surrendered due to the tenant encountering trading/financial difficulties.
3. Dyer & Hobbis were appointed to market the property for lease in November 2018. The guide rent was £25,000 per annum which was reduced to £19,500 per annum on 5 September 2019, and continues to be marketed.
4. There has been very little interest and only one offer received to date which was well below the revised guide rent.

## Economic/Financial Implications

5. If we retain the building there are various costs that will need to be met over and above the day to day holding costs (utilities, maintenance of plant/alarms etc. and weekly inspections). These are detailed below:
  - a. Under current legislation in order to rent the building it needs to have an Energy Performance Certificate (EPC) rating of E or above. Works are required to achieve this and we have listed building and planning consent to install air conditioning. The cost for this is circa £16,000.
  - b. There have been several incidences of lead being stolen from the roof. Listed building consent has been obtained to replace the lead with zinc and the cost for this is circa £32,000.
  - c. The exterior of the building needs attention and the likely cost of complete redecoration is circa £30,000.
6. The option open to the Council is to dispose of the asset, invest the capital receipt, or use it to meet capital expenditure. This avoids maintenance and ongoing costs.

## Planning

7. The current use is D2 Assembly and leisure which is cinemas, music and concert halls, bingo and dance halls (but not night clubs), swimming baths, skating rinks, gymnasiums or area for indoor or outdoor sports and recreations (except for motor sports, or where firearms are used).
8. Planning have advised that a variety of uses could be suitable but the main issue is maintaining an open layout and subdivision vertically is unlikely to be considered.

## Localism Act 2011 (Local People's Views)

9. The property is registered as an asset of community value and the implications for this are as set out below.

10. If an owner wants to sell a registered asset of community value they must advise the local authority (in this case the Council).
11. Once an owner advises of their intention to sell the local authority will invite expressions of interest from any community interest group wishing to be treated as a potential bidder for the asset. This is known as the interim moratorium period and runs for 6 weeks. At this stage the community interest group does not have to provide evidence of an intention to bid or financial resources to make a bid.
12. If an expression of interest is received in the interim moratorium period the asset continues into a full moratorium period. This ends 6 months after the interim moratorium period started.
13. This does not restrict in any way who the owner of the asset can sell the property to, or at what price and it does not confer a right of first refusal to community interest groups, but allows a local community group to prepare and submit a bid for the property.

## Proposal

14. It is proposed that we add the land to our Land and Property Disposal Programme which would allow us to proceed with a freehold disposal.
15. We can then proceed to notify the Council (Planning) of our intention to sell but during the moratorium period we can continue to market the property for rent. By doing that we keep our options open.
16. If no suitable bid is received from a community interest group we can then proceed to sell the property.

## Conclusion

17. As outlined above there has been a lack of interest in renting the property and there are potentially significant costs to be incurred if we continue to hold the building. Disposing of the freehold of the building would produce a capital receipt, eliminate holding costs and also provide the opportunity to find a more useful purpose for an important building in the High Street.

### Timetable of Next Steps

18. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Notify Council of intention to disposal		After Cabinet	Estates Manager

Consider any expression/s of interest received		After moratorium period	Property Management Group
Market for sale			

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## Wards Affected

Old Hastings

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## Implications

Relevant project tools applied? Yes/No

Have you checked this report for plain English and readability? Yes

Climate change implications considered? N/A

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	Yes
Anti-Poverty	No

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## Additional Information

For further details on assets of community value <https://www.hastings.gov.uk/my-community/righttobid/>

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## Officer to Contact

Amy Terry  
 aterry@hastings.gov.uk  
 01424 451640