

## **TAUNTON DEANE BOROUGH COUNCIL**

### **REPORT OF THE CHIEF VALUER TO THE EXECUTIVE TO BE HELD ON 6 APRIL 2005**

#### **THE OLD MUNICIPAL BUILDINGS, CORPORATION STREET, TAUNTON – PROPOSED LEASE TO SOMERSET COUNTY COUNCIL FOR USE BY THE REGISTRAR This matter is the responsibility of Executive Councillor N Cavill (Portfolio Holder for Property)**

#### **1. SUMMARY**

- 1.1 The report sets out the recent history in respect of the use of the Old Municipal Buildings.
- 1.2 In particular the Borough Council incurs considerable expense in terms of the current usage.
- 1.3 The County Council has identified this building as being suitable for the Registrar and it is now considered that this would be a much better use of the building in future on a partnership arrangement between the Borough Council and the County Council, subject to detailed terms and conditions being agreed for a suitable lease.

#### **2. PURPOSE OF REPORT**

- 2.1 The purpose of this report is to seek a decision from The Executive for granting a lease of the Old Municipal Buildings to the County Council, subject to detailed terms and conditions being agreed by the Chief Valuer

#### **3. BACKGROUND**

- 3.1 The OMB is a grade 2\* listed building of historical and architectural importance, situated in Corporation Street in an area identified for cultural development within the Vision for Taunton proposals.
- 3.2 The property is owned by TDBC and currently approximately half of the building is let as office accommodation, largely to voluntary sector organisations, with the remainder comprising the main hall, committee room, mayor's parlour and allied accommodation.
- 3.3 The building features in the Borough Council's Asset Management Plan as a poor performing building in respect of its suitability for purpose, eg extent of use, problems relating to access and general running and maintenance costs.
- 3.4 Nevertheless, the building is of course very important in respect of Taunton's history in relation to civic use and civic functions still continue today. The building has the old mayor's parlour that is used as a base for a small number of functions during the year, eg Remembrance Sunday and St George's Day. The Mayor also uses the building to provide refreshments on occasions, eg following the Taunton Carnival. The committee room houses many items of Taunton's history and paintings owned by the Borough Council are hung on the main staircase and in the hall. The ability to hire out the committee room and hall is significantly reduced by the facilities available, particularly catering. Nevertheless, the committee room and hall have been available for hire for a mix of social and business functions including weddings. However, due to the prospective future changes, the licence for marriage ceremonies has not been renewed by the Borough Council.

#### 4. PROPOSAL FOR USE OF THIS BUILDING BY THE REGISTRAR

- 4.1 The County Council has identified the ground floor and first floor of the Old Municipal Buildings as a suitable location for the Registrar's Offices as greater accommodation is now required by this service than can currently be offered at Flook House. The ground floor of Flook House is, of course, currently let to the County Council for this purpose by the Borough Council. Furthermore, both the hall and the first floor committee room of the Old Municipal Buildings have been identified by the Registrar as particularly good venues for marriage ceremonies.
- 4.2 The County Council's Architects are currently in discussions with the Borough Council's Chief Architect regarding suitable adaptations to the premises, in particular to satisfy the provision of suitable disabled access, together with satisfactory means of escape in case of fire for large numbers of people. It is considered that it should be possible to satisfy the requirements of the County Council in respect of these issues.
- 4.3 If the Registrar's service were to relocate to the Old Municipal Buildings, the County Council has indicated that it would require the majority of the ground floor and first floor space. This would therefore mean that the Borough Council would need to relocate the CVS and other voluntary sector tenants, together with the Town Centre Manager and the office currently used for housing purposes. Some car parking spaces adjacent to the building would also be required.
- 4.4 Limited second floor office accommodation could, however, still be available and might provide suitable offices for people connected with delivering the cultural part of the Vision for Taunton. An application by Somerset County Council and Taunton Deane Borough Council has been made to Rural Renaissance and provision of offices in the Old Municipal Buildings feature.
- 4.5 In addition, it is intended that the Borough Council would retain the use of the mayor's parlour and the building (including the hall and committee room) could still be used for certain civic functions by arrangement with the County Council.
- 4.6 It is proposed that the Borough Council would grant the County Council an internal repairing lease of the building for a term of probably 21 years or thereabouts, retaining a sublease of the mayor's parlour, on terms and conditions to be agreed by the Borough Council's Chief Valuer. It is intended to commence the lease on 1 April 2006, if possible.

#### 5. IMPLICATIONS REGARDING COST AND IMPACT ON THE BOROUGH COUNCIL'S CORPORATE PRIORITIES

- 5.1 It is considered that considerable cost savings should arise as a result of this proposal, although it must be appreciated that expenses will arise not only in respect of future maintenance of the main structure but also in respect of the relocation of the CVS and voluntary sector tenants.
- 5.2 Income is presently derived from rental payments by CVS and other tenants and from hiring out the committee room and hall. These would be expected to bring in approximately £19,000 and £21,000 respectively in a full year. There is an anticipated shortfall in hiring out income this year as the level of bookings has been lower than normal. This results partly from the protracted discussions with various parties as to the future of the building and a serious limit on the numbers of persons allowed on the premises as a result of the Fire Risk Assessment.
- 5.3 The building is expensive to maintain and operate. As mentioned in 3.3 above it is identified as a poor performer in the AMP. The annual budget for normal maintenance and running costs is £30,000. Direct employee costs are approximately £20,000 with considerable internal recharges on top of this.

- 5.4 A full Fire Risk Assessment last summer identified a number of serious defects. These have been put right at a cost of some £16,700. At the same time it has been recognised that to bring the building in practical compliance with the Disability Discrimination Act a further £83,000 will need to be spent. To meet all legislative and licensing requirements as a publicly hireable building, as well as meeting the Council's obligations to tenants, further additional expenditure on an annual basis will be required.
- 5.5 The age and structure of the building means that its facilities are naturally limited in terms of competition with other more modern venues. Considerable investment would be needed to update it in line with these and, it is felt, would be unlikely to result in acceptable increase in income.
- 5.6 Backlog maintenance is estimated at approximately £50,000. Possible future maintenance over the next 20 years could be £300,000, including the DDA figure mentioned above of £83,000.
- 5.7 Staffing implications are dealt with in the confidential appendix attached.
- 5.8 Nevertheless, it is felt that the proposal will help to enhance the development of the cultural quarter in relation to the Vision for Taunton proposals and therefore should make a significant contribution to the Borough Council's corporate priorities.

## 6. CONCLUSION

- 6.1 It is considered that the above proposals provide a partnership opportunity, which is of significant benefit to both the County Council and the Borough Council.

## 7. RECOMMENDATION

- 7.1 The Executive is recommended to agree that the Borough Council grants the County Council an internal repairing lease of the Old Municipal Buildings as proposed in this report, subject to the provision of additional financial information, on terms to be agreed by the Chief Valuer in consultation with the Leader of the Council and the Strategic Director.

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