

BABERGH DISTRICT COUNCIL

COMMITTEE: CABINET	REPORT NUMBER: BCa/18/36
FROM: Cabinet Member for Assets & Investments	DATE OF MEETING: 13 SEPTEMBER 2018
OFFICER: Jonathan Stephenson Strategic Director	KEY DECISION REF NO. CAB80

LOCAL TOURISM STRATEGY (BABERGH VISITOR INFORMATION OPTIONS)-PART 1

1. PURPOSE OF REPORT

- 1.1 To report back to Cabinet, following previous meetings on 08 March 2018 and 12 July 2018, seeking approval on a proposed asset disposal agreement for the transfer of the freehold ownership of the current Tourist Information Centre (TIC) building situated at 2 Lady Street, Lavenham, Suffolk CO10 9RA from Babergh District Council to Lavenham Parish Council (or appropriate responsible body set-up linked to the parish council).

2. OPTIONS CONSIDERED

- 2.1 Following the resolution of 12 July 2018, negotiations have been progressing in terms of the preferred option of either a leasehold or freehold disposal of this Babergh asset to Lavenham Parish Council to facilitate the development of a community hub facility for the village and supporting the broader district – retaining a visitor information point element and potentially adding outreach post office services and other beneficial community uses.
- 2.2 This negotiation has culminated in a provisional preferred agreement acceptable to both parties as outlined in Appendix A (contained within Part 2 of this report), now put forward via this report for Cabinet consideration of approval. This will include an appropriate clawback provision charge placed on the premises in favour of Babergh District Council, should Lavenham Parish Council dispose of their interest.

3. RECOMMENDATIONS

- 3.1 That the disposal of the freehold title of 2 Lady Street, Lavenham CO10 9RA to Lavenham Parish Council (or such appropriate responsible body linked to the Lavenham Parish Council) on the terms and conditions expressed in Appendix A be approved. (contained within Part 2 of this report).

REASON FOR DECISION

To responsively support the community and local economy of Lavenham, bringing potential benefits to broader economy of the district. To continue to strategically support progression of the visitor economy within the Babergh District, and within financial and operational resources for the Authority.

4. KEY INFORMATION

- 4.1 This paper follows on from Papers BCa/17/59 considered by Cabinet in March 2018 and BCa/18/13 considered by Cabinet in July 2018.
- 4.2 Significant discussions have progressed since March 2018 regarding development of a multi-purpose community hub utilising the Lady Street building, with the Lavenham Parish Council and Business Forum taking an active and progressive approach. Whilst the building itself is quite small, it has potential to provide appropriate outreach format Post Office services and other community uses, and would likely retain a visitor information element (not directly delivered by Babergh District Council).
- 4.3 Colleagues in the Communities Team have also had some useful input regarding supporting the community in accessing further funding, once they have acquired the premises, such as through Big Lotteries Awards for All, Plunkett Foundation or Prince's Countryside Trust schemes. The building was also listed as an Asset of Community Value (ACV) in July 2018 - the six week interim moratorium period expires on 24 September 2018 and allows for an eligible Community Interest Group to submit an Expression of Interest to bid for this property.

5. LINKS TO JOINT STRATEGIC PLAN

- 5.1 This project aligns with various priorities, including impacts against:
- Priority 2.1 Increased understanding of our local business needs
 - Priority 2.2 Engage and support our businesses to thrive
 - Priority 2.3 Further develop the local economy and market towns to thrive
 - Priority 4.1 Property investment strategy
 - Priority 4.4 Effective corporate asset management strategy
 - Priority 3.6 Community led solutions to deliver services and manage assets
- 5.2 The Council's approved Joint BMS Economic 'Open for Business' Strategy (particularly section 6.8 'Supporting the Visitor Economy') also refers.

6. FINANCIAL IMPLICATIONS

- 6.1 See Appendix A (contained within Part 2 of this report) for full financial appraisal and proposal terms.
- 6.2 The sale of this asset, under value, supports the Council in gaining a revenue saving and provides a capital receipt. It is also provides enabling support to the local community and includes broader district benefits including visitor economy.

7. LEGAL IMPLICATIONS

- 7.1 Legal implications in relation to the asset ownership, transfer and registry, including any relevant clawback clause provision, have been progressed through the negotiation process.
- 7.2 Section 123 of the Local Government Act 1972 requires the Council to obtain the best consideration that can reasonably be obtained when disposing of property, except with consent of the Secretary of State.

- 7.3 Secretary of State consent is subject to the 'undervalue' being no more than £2,000,000 and the disposal helping to secure the improvement of the economic, social or environmental well-being of its area.
- 7.4 The disposal is not outside of the limits set by the Secretary of State and supports the economic and social value of the district, so the Council is able to proceed with this disposal.
- 7.5 'Tourism' is not a statutory function for district councils. Investment and resource decisions in support of the visitor economy are subject to identifying and monitoring positive outcomes, with legal service input and scrutiny on a case-by-case basis and in line with joint strategic priorities.
- 7.6 The affected staff HR process in relation to cessation of tourist information centre operations is being project managed and progressed in accordance with applicable legal and policy obligations, including engagement with the Unions.

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No. 2AO4 / Visitor Economy support aligned with approved Economy Strategy and Service Plan.
- 8.2 This report is also closely linked with the Council's Corporate / Significant Business Risk No. 3a 'If we do not effectively engage communities about their future needs, then we will not be able to help them become more sustainable' and also 4c 'If we do not manage our asset portfolio effectively it may result in lost opportunity; loss of capital value; increased revenue costs and loss of public confidence'.
- 8.3 Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
3a. If we do not effectively engage communities about their future needs, then we will not be able to help them become more sustainable	Unlikely	Bad	Responsively consider and evaluate enabling opportunities to support local communities and encourage self-sufficiency and resilience - including through economy and asset management functions.
4c. If we do not manage our asset portfolio effectively it may result in lost opportunity; loss of capital value; increased revenue costs and loss of public confidence	Unlikely	Bad	Seeking balanced outcomes where broader social and economic benefits are weighted and balanced with securing a commercial return for the Authority

9. CONSULTATIONS

- 9.1 Various officers across the Council have co-ordinated in respect of these issues – which cut across multiple specialisms (including asset management, finance, economic development, communications, public realm, communities).
- 9.2 We have commissioned an independent valuation report and ('lifetime' i.e. 30 year) buildings maintenance report for the Lady Street building. Summary details, financial information and valuation estimates are contained within Appendix A (contained within Part 2 of this report). The Lavenham Parish Council group commissioned their own survey which drew different valuation and maintenance conclusions, and negotiations have proceeded to find an acceptable middle ground position including an acceptable capital receipt generation for Babergh District Council.
- 9.3 Visitor Information Point scheme discussions and support, plus TIC end-of-service arrangements and practicalities have been running parallel to asset negotiations.

10. EQUALITY ANALYSIS

- 10.1 Equality Impact Assessment (EIA) not required directly arising from the matters contained within this report.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 There are no direct environmental implications from the matters contained within this report.

12. APPENDICES

Title	Location
A: Proposed Disposal Terms and Key Financial Summary	Confidential (within Part 2 of this report)

13. BACKGROUND DOCUMENTS

- 13.1 Not applicable

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