

# WEST NORTHAMPTONSHIRE COUNCIL CABINET

13<sup>TH</sup> FEBRUARY 2024

CABINET MEMBER FOR FINANCE - COUNCILLOR MALCOM LONGLEY,

Report Title	Future use of the County Hall site
Report Authors	Simon Bowers, Assistant Director Assets and Environment, <a href="mailto:Simon.Bowers@westnorthants.gov.uk">Simon.Bowers@westnorthants.gov.uk</a> James Aldridge, Head of Property Strategy and Estates, <a href="mailto:James.Aldridge@westnorthants.gov.uk">James.Aldridge@westnorthants.gov.uk</a>

## Contributors/Checkers/Approvers

MO	Catherine Whitehead	24 <sup>th</sup> January 2024
S151	Marin Henry	24 <sup>th</sup> January 2024
Other Director/SME	Stuart Timmiss – Executive Director, Place, Environment and Economy	24 <sup>th</sup> January 2024
Communications Lead	Beth Longhurst, Communications and Engagement Business Partner	24 <sup>th</sup> January 2024

## List of Appendices

None

### 1. Purpose of Report

- 1.1 To seek approval of the strategy for preservation and the constructive future use of the County Hall complex.
- 1.2 To seek Cabinet approval for the long leasehold disposal of parts of the site where this would enable the restoration of buildings and their positive use.

## 2. Executive Summary

---

- 2.1 The Council owns the complex of buildings known as County Hall. The buildings were part of the previous County Council headquarters prior to moving into One Angel Square (OAS). Along with the Guildhall, they had an important part of the history of the town and county and are now a cherished heritage asset. The buildings now form part of the West Northamptonshire Council asset portfolio and County Hall, OAS, the nearby Guildhall as well as property owned in Towcester and Daventry together make up the current estate used as offices and for meetings by Council staff and members. As set out in the Cabinet paper of January 26<sup>th</sup> on Office Optimisation, after extensive review it is clear that the Council has a surplus of office and administrative meeting rooms, and we are not making the best use of the space we have in terms of value for money.
- 2.2 While there is some use of the County Hall buildings for group rooms and occasional meetings, these are limited. Overall, County Hall is in a poor condition and the space is not functional or effective for modern operational need. They are, however, of significant heritage and architectural value and it is a recognised part of the town's history for the public and so it is important that the buildings' long-term futures are secured.
- 2.3 Following on from the Office Optimisation paper and the decision that West Northants Council will retain and use the civic space and facilities at the historic Guildhall going forward, the retention of the County Hall building becomes largely unnecessary as most needs can be met at The Guildhall. Conversely, our detailed review and discussions with architects made clear that a significant level of investment would be required to bring County Hall up to a modern standard, even if that was possible given the heritage constraints with many parts of the building being listed.
- 2.4 The Council recognises that there is always a balance between preserving the past and embracing the future, as well as the costs of maintaining historic assets and the best use of resources. But there is additional potential created by allowing appropriate private investment and development. Nationally a number of Councils have seen old town halls and similar building sympathetically developed in this way, bringing much needed investment, bringing them back into use and ensuring their longevity. The renovation of town halls can also be a powerful catalyst for town centres and as part of the wider regeneration of high streets as well as generating fresh income for local authorities. Examples include Hackney, Peterborough, Hornsey, and Waltham Forest.
- 2.5 As part of the reviews conducted, extensive consideration has been given to the options for County Hall, ranging from food and drink uses to offices, and from extending the current museum to seeking to retain or offer greater community uses, or combinations of all of these, reflecting its importance in the town. Many of these are not viable financially or practical, due to the character of the buildings, the limited ability to change them, and levels of market demand for the services in question.
- 2.6 Having considered the options, advice and tested the market, it is proposed to bring the site back into fuller use securing its future by:

- Bringing the existing residential building (Judges Lodgings) back into beneficial wider use.
- Securing the restoration and conversion of the buildings capable of conversion (and not restricted by listing restrictions) including the Centre Block and potentially the Former Constabulary Block.
- Pursuing commercial uses where they may be viable.
- Focusing civic, community, and allied activities on the remaining buildings such as the old Council Chamber, as well as facilitating access for heritage visits and potential further heritage development.

2.7 Accordingly, authority to dispose of Judges' Lodgings, Centre Block and the Former Constabulary Block is now sought. This would be by means of long leasehold only, to retain a degree of control (in addition to that provided by planning permission and listed building consent) over these important heritage assets.

2.8 The proposals aim to ensure that the County Hall site continues to have a relevant, sustainable use going forward. It is also important from a public value for money perspective that the Council reduces its liabilities for maintenance and repairs which continue to be incurred at a cost of around £0.5m annually and despite the low level of building use. These costs only provide for keeping the building watertight and safe. The proposal would have the benefit of both reducing the Council's holding costs and securing the maximum benefit from the investments made.

### **3. Recommendations**

---

3.1 That the strategy for future use of the County Hall site as set out in paragraphs 5.14 to 5.18 is agreed.

3.2 The Assistant Director Assets & Environment in consultation with the Executive Director of Finance and Finance Portfolio Holder is authorised to:

3.2.1 Appropriate parts of the site to planning purposes, if useful to ensure that they can be disposed of whilst seeking to secure their future and best use.

3.2.2 Grant long leasehold disposals of Judges' Lodgings and Centre Blocks, including any ancillary areas or rights.

3.2.3 Grant long leasehold disposals of the parts of the Former Constabulary Block and Front Block, including any ancillary areas or rights, no longer required for the Council's operations.

### **4. Reason for Recommendations**

---

4.1 To secure the beneficial future use, and therefore restoration, preservation, and where appropriate conversion, of this important and cherished set of buildings.

4.2 To increase the potential for public use and enjoyment of these important heritage assets, enabling them to fulfil a valued role in the life of the area.

4.3 To assist the Council to deliver on its goals to preserve heritage and regenerate Northampton.

- 4.4 To reduce the Council's holding costs and create the potential for capital or revenue income creating better value for the taxpayer.
- 4.5 To comply with the legal obligations on the Council relating to disposal of property.

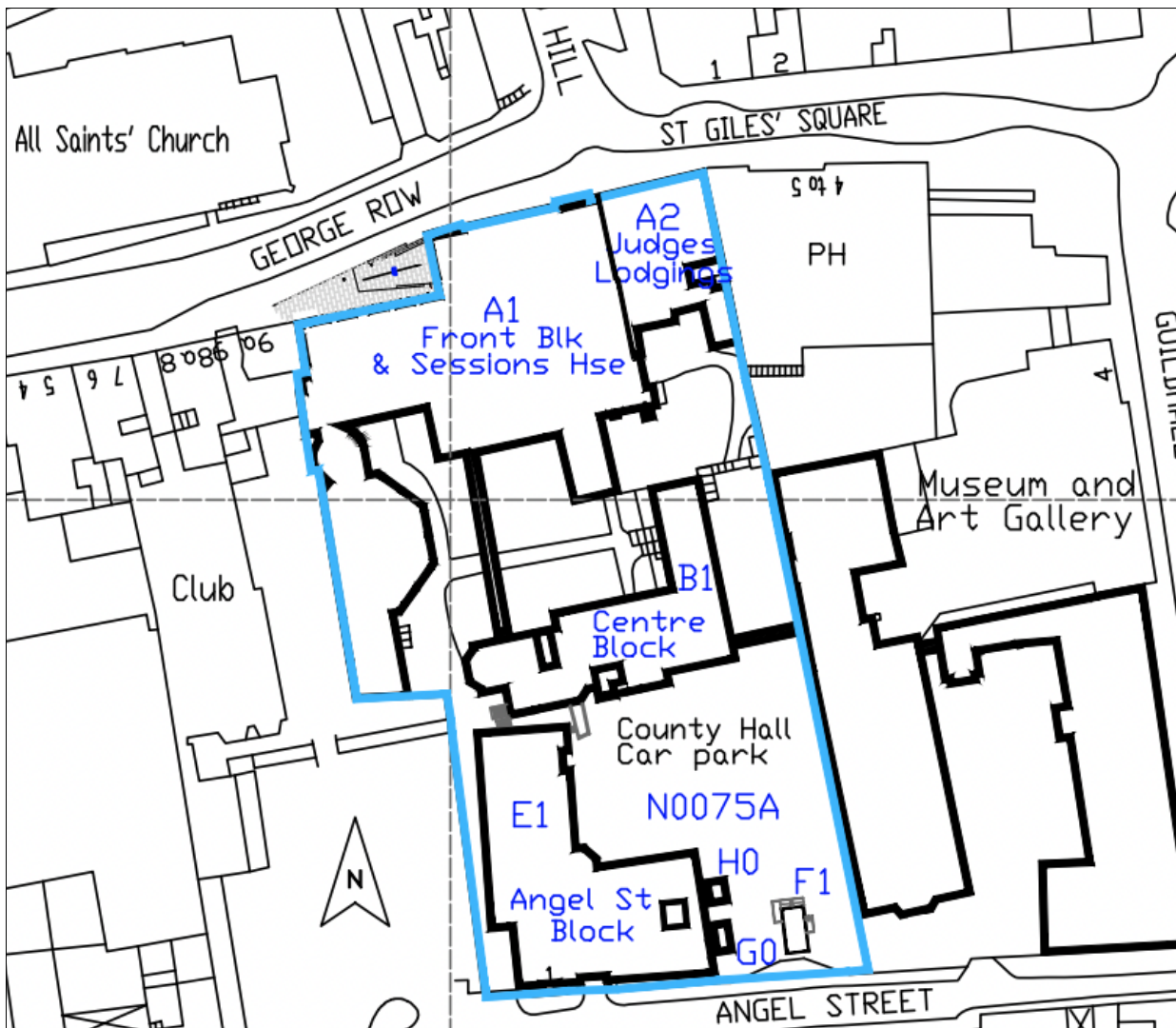
## 5. Report Background

---

### County Hall site

- 5.1 The Council inherited from Northamptonshire County Council the complex of buildings known as the County Hall site. This complex is important historically, showing the evolution of county governance over centuries. The site is shown in Figure 1.

**Figure 1: County Hall site**



- 5.2 Most of the site, as shown in Table 1, is listed. Whilst not subject to statutory listing, the Angel Street block is still important in heritage and architectural terms and is subject to local listing.

**Table 1: Elements of County Hall site**

<b>Building</b>	<b>Label on plan</b>	<b>Listing grade</b>
Judges' Lodgings	A2 Judges Lodgings	II*
Sessions House	Part of A1 Front Block and Sessions House	I
Front Block (includes Council Chamber)	Part of A1 Front Block and Sessions House	II*
County Council offices	B1 Centre Block	II
Former Constabulary Block	E1 Angel Street Block	Local

- 5.3 Traditionally the Old Gaol Block was also part of the County Hall complex. However, following its sale from the former Northamptonshire County Council to the former Northampton Borough Council it was converted to provide an extended Northampton Museum. This part of the site is therefore not considered in this report.
- 5.4 Following the opening of One Angel Square, and subsequently the creation of WNC, the site has only limited use. The buildings are generally not suitable for modern work requirements. There are also specific functional issues; for example, the Council Chamber can only safely accommodate 60 people because of the fire escape arrangements, but due to the listed status of the building it would be very difficult to obtain consent for the major works which would be needed to overcome this limitation.
- 5.5 The Judges' Lodgings are used intermittently for judges working at the crown court, but the income in no way reflects the value of the buildings. The Council has no obligation to provide accommodation for judges.
- 5.6 The only current substantial use is within the Former Constabulary Block, or more precisely the extension to it. While this use is expected to cease eventually, there is no defined timescale for this at present. Until that time, the WNC use will need to be protected on site. However, separation from original Constabulary Building may be possible to facilitate conversion in the short to medium term.
- 5.7 The condition of the buildings varies, but some require significant work. The maintenance backlog is estimated as £4-5 million and some areas, in particular the Centre Block, are currently unsafe for public access. Significant works are needed to roofs to prevent water ingress, as well as to the heating system, windows, and doors. As part of the Council's budget, proposals will be considered to these major maintenance works.

## **Options**

- 5.8 Extensive consideration has been given to the options for future uses of the various parts of the site. Some of these formed part of the Office Optimisation proposals considered by Cabinet in January; these continue to be further refined. Alongside that work, the Council engaged the consultants Cater Jonas to advise on the best approach to the various elements of the site.

5.9 Carter Jonas looked at a number of broadly comparable sites, such as York Guildhall, the former headquarters of Harrogate Borough Council, and Shire Hall, Cambridge. Some schemes to bring these buildings back into productive use had succeeded, whereas others were currently stalled due to market conditions.

5.10 The site has various challenges for contemporary uses, flowing from the historic pattern of development. This can make access difficult; in particular, access for people with mobility impairments and for goods.

5.11 Options considered as set out in Table 2.

**Table 2: Options considered**

Option	Comments
Cultural uses	Including developing a visitor attraction around the history of justice on the site. This was identified as challenging to achieve.
Commercial offices	These would not be viable, given the nature and layout of rooms, as well as the generally weak demand for office space
Science and research	The buildings are not suitable for this, and in addition the market was unlikely to support it.
Community facilities	There may be some limited ability to support such uses, but limited by the layout, size, and nature of the rooms.
Healthcare	Not viable. Healthcare is moving increasingly to modern, fit-for-purpose accommodation.
Creative space	It was suggested that whilst there might be some possibilities, current and likely future demand was likely to be taken up at the Vulcan Works, 24 Guildhall Road, and other locations within the town centre. This would thus be a long-term opportunity at best.
Residential	It was identified that this was a possibility in the Centre Block and Judges' Lodgings (either as key worker accommodation or larger private flats). Whilst the scope of work to date did not address the Former Constabulary Block, the same logic would apply to it.
Hotel	Likely to be challenging to convert these buildings and achieve viable operation.
Food & Beverage	Potential for spaces towards the front of the site to work. However, there would be challenges regarding 'back of house' facilities, loading, and waste.
Retail	Unlikely to be viable, both for practical reasons (loading, visibility) and lack of demand.
Education	Apart from student accommodation (as with residential), not considered viable. The University of Northampton had confirmed the buildings did not work for it.
Nursery	In theory possible, but the need for parking and drop off facilities may make this impracticable.
Care home	Not practical due to the major works which would be needed to meet accessibility requirements.

5.12 Additionally, the Council has historically had direct approaches from people wishing to purchase the Judges' Lodgings for private housing.

## **Future uses**

- 5.13 It would be highly desirable to secure more intensive use of the buildings, as well as investment in them. This should secure their future for the public good however in practical terms, there are limits to what may be possible.
- 5.14 Taking the previous work on office optimisation and the considerations set out above, proposals for the use of each building are as follows.
- 5.15 Judges' Lodgings: Disposal of the property on a long leasehold basis. Its potential use as an annex to a hotel would be tested first. This would enable the maximum number of people to enjoy its historic features. If this was not sufficiently attractive to operators it would be marketed for use as a private residence. This would be consistent with its nature, as a dwelling. Either use would enable additional investment in keeping it in good order. WNC would retain the freehold. It would need to address the physical separation of the property from the adjacent Grade I listed Sessions House. Such separation would need to be done sensitively, without harming the historic character of the buildings.
- 5.16 Centre Block: Disposal on a long leasehold basis for restoration and conversion. It is most likely the conversion would be to flats. Whilst not reflecting its historic use, it is considered deemed that this would maximise the opportunity of the property, result in investment in keeping it in good order and allow people to enjoy its historic features. There are a number of examples of such conversions in other places, which have produced successful outcomes.
- 5.17 Former Constabulary Block: Disposal by long leasehold or freehold for conversion to flats or town houses. Whilst not reflecting its historic use, this would result in investment in keeping it in good order and allow people to enjoy its historic features. This may need to wait until the Council no longer requires the data centre. However, further to additional and feasibility assessments being undertaken, if it is possible to separate the former Constabulary building from the data centre, it is possible that the disposal and conversion timescales could be accelerated.
- 5.18 Sessions House and Front Block: If there is sufficient market demand, to lease elements for commercial food and drink operations. This would retain its historical character whilst allowing the public to experience and enjoy these special spaces. Other spaces not required for WNC/NCT operations would be made available on commercial terms for wider office (including community groups), training, or events use. Again, this has the potential to allow public access so that these spaces can be enjoyed by members of the public. These uses would work alongside emerging proposals to have guided tours of the courts and cells, engaging people with the history of justice in Northamptonshire. They would also allow for more intensive heritage use of Sessions House with its historic courts and cells, if this was determined to be viable (it is proposed separate assessment is made of this).

## **Implementation**

- 5.19 While the Council could pursue conversion itself, it is likely to be more cost effective to dispose of the Centre Block to a developer specialising in heritage building conversions. The same would

apply to the Former Constabulary block. The Judges' Lodgings should be capable of direct disposal to a person who wished to make it their home.

- 5.20 Given the importance of the heritage and the need to continue to manage interaction between different parts of the site, it is proposed that the disposals be by means of long leaseholds (probably alongside other leaseholds in Sessions House and Front Block).
- 5.21 To ensure that the historical significance of the properties can be preserved, any disposal process would look for evidence of the ability of the proposed purchasers to undertake the conversion effectively and sensitively, while not adversely impacting on the retained parts of County Hall. For this purpose, it may be useful to appropriate the areas concerned for planning purposes and then dispose of them under planning powers (see legal implications).
- 5.22 By completing the disposals as outlined in this report, the Council would benefit from lower maintenance obligations and might also generate capital receipts or revenue income. There would still be costs to refurbish the retained buildings; however, these would be more easily justified given the intensification of use.

## **6. Issues and Choices**

---

- 6.1 The Council has a wide range of options, relating to each part of the County Hall site. The main choices are summarised here.
  - 6.1.1 Option 1: Do nothing. This is likely to result in further deterioration of the site and the associated loss of heritage value. The Council would be exposed to increasing costs of maintenance, as well as retaining existing operational costs (utilities etc.). The Council would also not be able to realise the revenue, community, and heritage benefits that would come from having the properties in beneficial use.
  - 6.1.2 Option 2: Maximise use by the Council. The buildings are unsuitable for modern office and similar uses and the Council would incur significant costs to bringing the buildings into a fully habitable condition. Given the level of office accommodation already held by the Council in Northampton town centre (One Angel Square, and the Guildhall), allied with wider issues with the fabric of the building (fire escape to the Chamber), there is likely to be limited potential to pursue this option.
  - 6.1.3 Option 3: Long leasehold disposal of the identified buildings (Judges Lodgings, Centre Block, and potentially parts of the Former Constabulary Block and Front Block) and the active management of the retained elements to facilitate any relevant WNC and third-party occupation. This should maximise productive use of the buildings, reduce costs, produce some capital receipts (or, less likely, revenue rent), and help secure the future of the buildings for the public good.
- 6.2 Option 3 is recommended for the reasons outlined above.



## 7. Implications

---

### 7.1 Resources and Financial

7.1.1 County Hall is an expensive site for WNC to continue to be responsible for. The estimated costs for 2023/24 are £664k, with the bulk (£466k) being utility costs. The proposals in this report would not eliminate those costs, but they should reduce them. They should also make the remaining costs more justifiable in that greater use would be being made of the space.

7.1.2 The proposals should also maximise the opportunities for capital and/or revenue income.

### 7.2 Legal

7.2.1 The Council has the power to disposal of the land outlined in this report under section 123 of the Local Government Act 1972 (the '1972 Act'). This provides that the Council in exercising its power is free to dispose of its land as it may determine subject to a duty (under sub-section 2) to dispose of it for the best consideration reasonably obtainable unless the Secretary of State otherwise consents.

7.2.2 The Secretary of State has issued the General Disposal Consent (England) 2003 (the 'General Consent'), which permits land disposals under Section 123 at less than best consideration that can be reasonably obtained where the Council considers that a disposal at less than best consideration will help it to secure the promotion or improvement of the economic, social, or environmental well-being of its area. This is subject to the under-value not exceeding £2 million. Under-values above £2m require specific consent.

7.2.3 Alternatively, where the Council chooses to appropriate land for planning purposes, it must dispose of land under the powers provided by Section 233 of the Town and Country Planning Act 1990. This requires (in sub-section 1) that the land is disposed of:

"...in such manner and subject to such conditions as appear to [the Council] to be expedient in order—

(a) to secure the best use of that or other land and any buildings or works which have been, or are to be, erected, constructed or carried out on it (whether by themselves or by any other person), or

(b) to secure the erection, construction or carrying out on it of any buildings or works appearing to them to be needed for the proper planning of the area of the authority."

In this case item (a) would be the applicable one, as the Council would be seeking to secure the 'best use' of the buildings which have already been constructed on the site.

Disposal under Section 233 is then subject to a duty (in sub-section 2) to secure the best consideration reasonably obtainable with same provision as in Section 123(2) for the Secretary of State to authorise otherwise (however, there is no general consent in place under Section 233), but that duty is subject to the over-riding obligation to comply with sub-section 1. This allows the

Council to decide, for example, that only bids which show a clear and deliverable plan to restore a building and bring it back into productive use would be considered, and then to choose the most financially favourable bid from among those proposals.

7.2.4 It is not at present proposed to make any part of the site an 'Available Property' under the terms of the Policy on the Voluntary, Community, Social Enterprise, and Faith (VCS) Groups use of Property. However, it should be recognised that in some cases a low rent to a VCS group may represent the best financial consideration reasonably obtainable.

### 7.3 **Risk**

7.3.1 Where sites with buildings on them are concerned, the only substantial risk associated with disposal would be that the Council, having disposed of the property, then identifies an operational need which could have been met in the disposed asset. Having regard to the proposals within this report, the Council has assessed whether the site can be utilised for its own purposes, however there is no convincing case that a need has been identified. While some occupation of the site by WNC services is anticipated, the Council has a significant over supply of office accommodation with town centre (One Angel Square and the Guildhall) which can meet the needs of the Council, and in more fit for purpose accommodation.

7.3.2 The principal risks for the Council here would be from a decision to do nothing. By taking this decision, the Council continue to be exposed to the financial risk of holding the properties empty, including rates, utilities, general repairs, and maintenance as well as the risk of vandalism. It has been highlighted earlier in this report that the backlog maintenance required on the County Hall properties is substantial. As custodian of these historic buildings, the Council has an obligation to ensure that they are preserved for future generations, and as such is required to bring them into a suitable condition, whether occupied or not. Undertaking these improvements / repairs in conjunction with a structured and planned occupational strategy would reduce revenue costs and generate some income but also ensure that the properties are, in the most cost-effective manner, refurbished to a specification that would be desirable in the market.

### 7.4 **Communication and Consultation**

7.4.1 The Council will continue to engage with potential occupiers of the spaces, including its own services, and potential development partners. Proposals for restoration and conversion would be subject to consultation as part of the planning process.

7.4.2 When opportunities are to be presented to the market for offers, these will be communicated openly and transparently. This should maximise the likely returns to the Council and help ensure that it meets its obligation to achieve the best consideration reasonably obtainable.

### 7.5 **Consideration by Overview and Scrutiny**

7.5.1 None.

## **7.6 Climate Impact**

- 7.6.1 Given the nature of the properties on the County Hall site, it is likely that the only limited improvements to the energy efficiency of the properties would be possible. As part of any programme of planned and reactive maintenance, the Council would explore options for improving the energy efficiency of its properties.

## **7.7 Community Impact**

- 7.7.1 There are unlikely to be any direct impact on the community as a result of this decision. A decision to proceed with Option 3 will preserve the historical significance of the properties, bring them back into beneficial use, and also provide an opportunity for them to be used by relevant community organisation to deliver services to the residents of West Northamptonshire

## **8. Background Papers**

---

- 8.1 None