

CABINET

31 July 2020

DISPOSAL OF UPPINGHAM TOWN CENTRE PUBLIC CONVIENENCES

Report of the Strategic Director Places

Strategic Aim:	Priority 2 - Vibrant Communities Priority 3 - Protecting the Vulnerable Priority 4 - Customer Focussed Services	
Key Decision: No	Forward Plan Reference: FP/120620	
Reason for Urgency:	N/A	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr G Brown (Deputy Leader and Portfolio Holder for Planning, Environment, Property and Finance)	
Contact Officer(s):	Mona Walsh Head of Property Services	Tel: 01572 7208391 MWalsh2@rutland.gov.uk
Ward Councillors	Cllr M Jones (Uppingham Ward) Cllr M Oxley (Uppingham Ward) Cllr L Stevenson (Uppingham Ward)	

DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the principle of the transfer of the Councils freehold interest in Uppingham Town Centre Public Conveniences to Uppingham Town Council.
2. The allocation of the sum of £ 26,800 of S106 monies towards the works for the scheme
3. That legal costs associated with the transaction are funded through the legal budget
4. Authorisation to the Director for Places, in consultation with the Cabinet Member with portfolio for Planning, Environment, Property and Finance to agree the final terms, including the precise area of land, generally in line with the Heads of Terms.

1.1 The purpose of this report is to obtain authority from Cabinet to transfer the freehold of Uppingham Town Centre Public Conveniences to Uppingham Town Council who intend carrying out a refurbishment of the facilities and are well placed to continue to operate the public conveniences for the benefit of town centre users.

2 BACKGROUND AND MAIN CONSIDERATIONS

2.1 Uppingham Town Centre Public Conveniences are operated and maintained by the Council. The facilities are well used but now require considerable investment to refurbish and provide modern facilities. Uppingham Town Council have identified funding they can use for a refurbishment and are currently negotiating terms for the acquisition of the Councils freehold interest.

2.2 The terms agreed will include conditions in perpetuity that use of the property is restricted to public conveniences only, with the facilities kept open for this purpose. Uppingham Town Council will be permitted to have an ATM installed in part of the property for the benefit of town centre users. The refurbishment of the toilets will provide an ATM in the Market Square to replace the ATM which was lost when Barclays closed the bank in Uppingham and Barclays are making a £15,000 contribution to the works as well as funding the costs of installing and servicing the ATM.

2.3 The refurbishment works will be funded from Uppingham Town Councils own resources including contributions from the Council and Barclays Bank. The Council will provide S106 funding of up to £26,800 towards the agreed works, costed at c£75,000 including fees and 10% contingency. In addition, the Council will provide a revenue support package relating to the operating costs reducing to zero over 5 years, starting at £10,000 in 20/21 and reducing by £2,000 per year.

2020/21	£10,000
2021/22	£8,000
2022/23	£6,000
2023/24	£4,000
2024/25	£2,000
Total	£30,000
2025/26 and beyond	£nil

2.4 Transfer of the property to Uppingham Town Council will enable them to secure additional funding for the refurbishment works and ensure that the town centre users benefit from modern fit for purpose facilities. In addition, the Council will generate future revenue savings following the expiry of the financial year 2024/2025.

3 HEADS OF TERMS

3.1 Proposed Heads of Terms are set out below

Subject to Contract and Cabinet Approval		
1.	Property Address	Market Place Public Conveniences, Uppingham
2.	Owner	Rutland County Council District Council (RCC)

3.	Purchaser	Uppingham Town Council (UTC)
4	Title	Freehold
5.	Sale Price	The consideration for transfer will be £1. RCC may consider a transfer of the asset to UTC by way of the Community Asset Transfer route.
6	Revenue support	<p>Rutland County Council to provide a revenue support package relating to the operating costs reducing to zero over 5 years, starting at £10k in 20/21 and reducing by £2k per year.</p> <p>2020/21 £10,000 2021/22 £8,000 2022/23 £6,000 2023/24 £4,000 2024/25 £2,000 Total £30,000</p> <p>2025/26 and beyond £nil</p>
7	Overage	The transfer will include agreed clawback provisions of 30% on any increase in value for a period of 40 years from the date of any disposal. Restrictions on the ability to sell or sublet to third parties to be agreed.
8	Refurbishment	<p>UTC to carry out a refurbishment of the property to provide upgraded male and female public WCS, including disabled access facilities. See attached document setting out the agreed works [detailed schedule awaited] to be finalised/agreed with UTC]. UTC will be responsible for designing, procuring and overseeing the refurbishment works, including obtaining all statutory approvals and consents.</p> <p>UTC will use best endeavours to procure materials, supplies and contractors from local companies, within a 40 mile radius of Uppingham.</p> <p>The works will be funded from UTC own resources including contributions from RCC and Barclays as set out below.</p> <p>The transfer will be conditional on UTC completing the refurbishment works within a timeframe to be agreed.</p>
9	RCC Funding of Refurbishment	RCC will provide funding of up to £26,800 towards the agreed refurbishment works. The transfer documentation will include appropriate clauses setting out a mechanism for payment of funding for refurbishment and revenue support referred to above.
10	Barclays Bank	Barclays Bank have confirmed their agreement to offer UTC a contribution of £15,000 towards the cost of refurbishing the public conveniences. This is in addition to their agreement to fund the installation and running of an ATM within part of the Property Address
11	Funding Agreement	An additional tripartite Funding Agreement will be required setting out the funding obligations and commitments of the three parties involved – RCC, UTC and Barclays Bank. Each party will be responsible for

		their own legal and other associated costs for the Funding Agreement
12	Permitted Use	The building will be used only as a Public Convenience, and the transfer documentation will require the premises to be kept open for this purpose [opening hours to be agreed]. UTC will erect a sign on the property stating that the WC's are operated by Uppingham Town Council and that all enquiries/complaints are to be made to UTC with address & telephone details included. Ancillary Use of part only of the Property will be permitted e.g. installation of a bank ATM facility, subject to all necessary statutory consents being obtained.
13	Insurance	UTC will be responsible for insuring the property to its full reinstatement value. UTC must provide public liability insurance of £10 million.
14	Rates and Outgoings	UTC will be responsible for the payment of all rates, taxes and utilities and other outgoings.
15	Legal Costs	Each party will be responsible for their own legal and other associated costs relating to the transaction
16	Other Terms and Conditions	The transfer documentation will contain such other terms and conditions as are appropriate in agreements of this nature.

4 CONSULTATION

- 4.1 Consultation has taken place internally with Senior Officers and Elected Members of the Council including Cllr G Brown (Deputy Leader and Portfolio Holder for Planning, Environment, Property and Finance), Director for Places, Strategic Director Resources and Deputy Director Resources.

5 ALTERNATIVE OPTIONS

- 5.1 Do nothing would result in the public conveniences remaining in a poor condition as there is no current budget for the general refurbishment with the risks that this brings.

6 FINANCIAL IMPLICATIONS

- 6.1 The Council has identified S106 funding of £26,800 as a contribution to the refurbishment costs which is the preferred method of funding.
- 6.2 Annual running costs for 2019/2020 were £8,000 inclusive of cleaning, utilities, business rates and insurance.
- 6.3 The sale price agreed reflects the restricted use of the property and the financial obligations associated with maintaining the public conveniences. The transfer documentation will include an overage clause in the Councils favour enabling it to benefit from 30% of any future increase in value in the event of Uppingham Town Council disposing of the property within 40 years of the transfer.
- 6.4 The Council will provide a revenue support package of £30,000 relating to operating costs starting at £10,000 in 2020/21 and reducing by £2,000 per year with the final payment being £2,000 for 2024/25. No further revenue support will

be made in subsequent years.

6.5 The Council's legal costs associated with the transaction are funded through the legal budget and are expected to be in the range £6,500 - £8,500 excluding disbursements and VAT.

6.6 If the proposed transfer does not take place RCC would need to spend c£14,000 on a basic refurbishment to address immediate repairs required. However there is no current budget for this.

7 LEGAL AND GOVERNANCE CONSIDERATIONS

7.1 Any acquisition, disposal, appropriation or exchange of property or other fixed assets must be made in accordance with the capital programme approved by the Council or through a separate approval. This report seeks authorisation to include the disposal in the capital programme. As the value is less than £1m then Cabinet is able to approve this project.

7.2 The freehold of the land would be transferred by the Council.

8 DATA PROTECTION IMPLICATIONS

8.1 A Data Protection Impact Assessments (DPIA) has not been completed as there are no data protection implications.

9 EQUALITY IMPACT ASSESSMENT

9.1 An Equality Impact questionnaire has not been completed due to the report being for the disposal of property.

10 COMMUNITY SAFETY IMPLICATIONS

10.1 Refurbishment of the public conveniences will provide enhanced and modern facilities for all town centre users, with the Uppingham Town Council being well placed to manage the premises as required.

11 HEALTH AND WELLBEING IMPLICATIONS

11.1 Provision of a refurbished enhanced and modern public conveniences will benefit all town centre users who will be able to make use of them when visiting or working in the locality. Transfer of the asset to the Town Council with the conditions to keep open and maintain will ensure the future availability facilities.

12 ORGANISATIONAL IMPLICATIONS

12.1 Environmental implications

12.2 The refurbishment will include modern replacements and upgrades giving an opportunity to reduce energy and water consumption.

12.3 Human Resource implications

12.4 There are no human resource implications

12.5 Procurement Implications

12.6 There are no procurement implications

13 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

13.1 The recommendations set out in this report will enable the Council to dispose of the property whilst ensuring that it is refurbished and continues to provide modern enhanced facilities for the benefit of all town centre users.

14 BACKGROUND PAPERS

14.1 No background papers

15 APPENDICES

15.1 Appendix A – Proposed Refurbishment Plans

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.