

HERTFORDSHIRE COUNTY COUNCIL

**CABINET
MONDAY 19 MARCH 2001 AT 10.00 AM**

**EXECUTIVE COMMITTEE
MONDAY 19 MARCH 2001 AT 2.15 PM**

Agenda Item No.

5

**ALTERNATIVE FUNDING METHODS FOR ADAPTATIONS AT THE
DRILL HALL, CHESHUNT**

Report of the Director of Education and Corporate Director, People & Property

Authors: - Catherine Taylor, Youth Service, 01992 555800; Ken McMaster, Senior Estates Officer, 01992 588126

Executive Members – David Beatty and Keith Emsall.

1.0 Purpose of the report

- 1.1 To seek agreement to self financing replacement asset scheme to reinvest the capital receipt from the disposal of 100 Turners Hill, Cheshunt in the refurbishment of accommodation for the Youth Service at the Drill Hall, 178 Crossbrook Street, Cheshunt.

2.0 Summary

- 2.1 The County Council has decided to relocate Youth Service staff from 100 Turners Hill Cheshunt and the Trinity Centre, Ware, to accommodation at the former Drill Hall in Cheshunt. It has also decided to sell 100 Turners Hill, which is occupied by the Youth Service for the Youth Enquiry and Information and Service. Phase 1 works to adapt the Drill Hall have been funded from existing Youth Service budgets. Additional works to further improve the building and secure the transfer of Youth Service staff from Trinity Centre have yet to be committed and require funding.
- 2.2 These additional works may take two months to complete. The Trinity Centre will close at the end of June 2001 and therefore contractors need to start in April. The works order would need to be placed late March 2001 but cannot be placed until funding is secured. This restrictive time scale has necessitated this report going to Executive Committee on 19 March for decision. Any comments from Select Committee Spokes will be reported.

Conclusion

- 3.1 A decision to reinvest the capital from the sale of 100 Turners Hill in the refurbishment of the replacement accommodation in the former Drill Hall would enable completion of the required refurbishment works and the move of staff from the Trinity Centre. It has not been possible to identify an alternative funding source within Youth Service budgets.

4. Background

- 4.1 The County Council owns 100 Turners Hill, Cheshunt, originally purchased for a potential highways scheme. It is no longer required for highways purposes.
- 4.2 The Youth Service has been in temporary occupation for the YEIS (Youth Enquiry Information Service). Despite the poor condition of the building the project has flourished and to develop, needed either to refurbish Turners Hill or to find alternative accommodation. The cost of refurbishment, even to a minimum standard, proved too costly compared to the value of the property.
- 4.3 Suitable alternative accommodation was identified at the former Drill Hall in Crossbrook Street Cheshunt (until recently occupied by Hertfordshire Careers Ltd). On 31st October 2000, the County Council approved the Property Policy Report, allocating the vacant space in the Drill Hall to the Youth Service for the YEIS and also for another pressing requirement - the transfer of the East Area Team from Trinity Centre in Ware. In this report it was indicated that funding for the required refurbishment of the space could come from a number of sources including re-investment of capital from the sale of 100 Turners Hill.
- 4.4 Initial works, sufficient to secure the transfer of the staff from 100 Turners Hill, have been completed, funded by the Youth Service.
- 4.5 Following the decision to relocate the YEIS to the Drill Hall, the County Council considered options for the future of 100 Turners Hill and, on 14th December 2000, formally approved a proposal to sell that property. In the Property Policy Report, dealing with this disposal, it was indicated that the capital receipt would either be used for this proposed self-financing scheme or would fall to the capital receipts pool.
- 4.6 Both above decisions were delegated officer decisions following member consultation. Decisions about re-investing the capital receipt from a disposal in replacement accommodation are not delegated and require a member decision.

5 Financial Implications

- 5.1 The initial works to refurbish part of the Drill Hall accommodation for occupation by the YEIS have progressed using funds from the Youth Service maintenance budget and Corporate Property Management maintenance and repair budgets.
- 5.2 The further work to accommodate the East Area Youth Team from Trinity has been estimated by AMEY at £81,000. A contribution of £29,000 is available from the Youth Service and Corporate Services.

- 5.3 That capital receipt from the sale of 100 Turners Hill has been estimated at £55,000. This estimate is Class A and is based on the following general assumptions:
- 5.3.1 That planning permission would be granted for demolition of the existing building and the erection of a new premises for either Class A1 (retail), Class A2 (office receiving members of the public) on the ground floor, with either ancillary offices or residential use on the first and second floors.
- 5.3.2 That the cost of putting the premises into good repair would be in excess of £150,000.
- 5.4 It has not been possible to identify additional funding within Youth Service budgets. The capital receipt from the disposal of 100 Turners Hill can provide the funding for the additional work as an uncommitted capital receipt. This would be a local authority office scheme under the capital finance regulations.

Background information referred to by the authors whilst compiling this report

Property Policy Report: Cheshunt Drill Hall, Crossbrook Street – Affecting Also No 100 Turners Hill and Youth Services East Team at Trinity - approved 31st October 2000

Property Policy Report: Cheshunt, 100 Turners Hill – Disposal - approved 14th December 2000