

3rd April 2018



To Members of Council

You are hereby summoned to an Extraordinary meeting of Council to be held on **Monday, 9th April at 7.30pm** at Thanet House, 58 London Road, Stroud, to conduct the following business.

A handwritten signature in black ink, appearing to read "Helen Bojaniwska", is placed over a light grey grid background.

Helen Bojaniwska
Town Clerk

AGENDA

1. To receive apologies
2. To receive declarations of interest or requests for dispensations
3. To receive questions from members of the public
4. To consider a report on the Subscription Rooms

Members are reminded that the Council has a general duty to consider the following matters in the exercise of any of its functions: Equal Opportunities (age, race, gender, sexual orientation, faith, marital status and disability); Crime and Disorder (Section 17); Health and Safety; and Human Rights.

REPORT TITLE	Subscription Rooms
FOR MEETING	Extraordinary Council
DATE	9 th April 2018
RECOMMENDATION	<p>Agree in principle to a transfer of the freehold of the Sub Rooms including the forecourt, subject to the following terms (as set out in the lease offer):</p> <ul style="list-style-type: none"> • A lease to be granted to a new charitable organisation to be established in partnership with Stroud District Council • A grant of £230,000 from Stroud District Council to provide working capital • A transition plan to be agreed with Stroud District Council to cover the period up to handover, to include consultation with staff – <i>handover date to be agreed.</i> • full disclosure of TUPE information immediately after decision to proceed. Stroud District Council to deal with any settlements to staff not transferring to the new organisation. • Stroud District Council to complete repairs identified in the structural survey completed in 2017. • Bid subject to legal requirements as set out in solicitor's report: <ul style="list-style-type: none"> ○ pre-contract enquiries ○ satisfactory commercial search results ○ SDC being able to provide a Certificate to accord with Restriction entry B.3 of the Proprietorship Register of the title (this relates to compliance with Localism Act) ○ Inclusion of rights of access to the rear ○ Provisions regarding restrictive covenants • STC to provide a grant of £50,000 to be held in reserve for either revenue or match funding for capital bids • STC to arrange buildings insurance • Capital works to be funded from grants and other fundraising • Tourist information service to be relocated out of the building.
REPORT	<p>Following the Council meeting on 26th February 2018 an offer was submitted to Stroud District Council for a 39-year lease based on the resolution agreed at the meeting. The offer documents are available at: www.stroud.gov.uk/sport-leisure-parks/events-and-things-to-do/subscription-rooms/subrooms-review/2018/consultation-on-stroud-town-council-s-offer</p> <p>Following submission of the offer Cllrs Cranston and Schoemaker, with the Clerk and Deputy Clerk, met with the SDC Task and Finish Group on 13th March to answer questions about the offer. This was followed by a presentation to SDC members on 14th March.</p> <p>SDC organised a public consultation on Saturday 17th March, for which we provided displays. Members of the Subs WG, Cllr Cranston, the Clerk and Deputy Clerk</p>

attended to answer questions. The consultation results are available at: www.stroud.gov.uk/media/640109/consultation-feedback.pdf There 157 submissions - the majority of the comments were supportive of the offer. Comments included:

- Support for STC offer 140
- Concerns about future of TIC 6
- Doubts about business plan/timescale 6
- Comments on refurbishment plans 3
- Comments about seating idea 2
- Importance of accessibility 2
- Opposition to STC offer 2

The consultation was used as an opportunity to test an additional proposal for the provision of retractable raked seating in the ballroom which was well received and could therefore be included in the capital plan for the building, subject to funding and listed building consent being obtained.

Following the consultation there have been informal discussions with members of the SDC Task and Finish Group concerning a potential transfer of the freehold instead of a lease. It is understood that the Group will be making a recommendation to the Strategy and Resources Committee meeting on 12th April along these lines.

This proposed recommendation was reported by Cllr Cornell, Chair of the Task and Finish Group to SDC's Community Services and Licensing Committee at their meeting on 28th March. The webcast for the meeting is available at: <http://c.connectedviews.com/03/SitePlayer/sdc?session=13424> - watch from Agenda Item 6 Members Reports, which starts at 29 minutes in.

At the time of writing the Task and Finish Group's report has not been published, but will be circulated to members as soon as it is available. Minutes of the SDC Task and Finish Group meetings (currently up to 1st Feb) are available at: www.stroud.gov.uk/sport-leisure-parks/events-and-things-to-do/subscription-rooms/subrooms-review/2018/task-and-finish-group-meetings

This meeting has been called to enable members to respond to the SDC report in time for the Strategy and Resources Committee meeting on 12th April.

If members are minded to accept a transfer of the lease it will be important to ensure that a realistic timetable for handover is agreed, allowing time for proper staff consultations, establishing the new trust, fundraising and planning for building refurbishments. The proposals for building works are only conceptual at this stage and whilst they have been reviewed by SDC planning, conservation and building control officers, and vetted by a structural engineer, it will take time to appoint an architect, draw up detailed plans, obtain necessary Listed Building consents, and tender for contractors. A firm timetable for this will be needed to ensure that programming can be planned around a short closure of the building. The handover proposed in the offer (1st April 2019) remains realistic – bringing it forward would require additional support for STC officers.

Changing from a lease to a transfer of the freehold has little impact on the business plan, which will still require financial support from SDC in the form of a grant and a commitment to carry out repairs, to make it viable. Holding the freehold will positively

impact on potential grant funding as it demonstrates a long-term commitment to the building and project.

Council has previously weighed the risks of ownership in preparing its original bid for the freehold. Owning the freehold ensures that the building remains in public ownership. The risk remains that the Trust might fail and surrender their lease. In these circumstances STC could seek another partner to operate the venue or explore other ways to ensure it remains available for community use.

A call for pledges of financial support was launched immediately after the last Council meeting. To date 301 people have submitted pledges ranging from £3 to £5,000, totalling £43,523. This is a good demonstration of public support for the project.

The offer was based on relocation of the Tourist Information Centre out of the building. An offer to discuss with SDC potential collaboration on the future of this service has not yet been taken up. As many of the staff work for both the Subs and the TIC a decision on this will be needed as soon as possible to inform consultation surrounding TUPE transfers. SDC have a working group working on tourism – a report was presented to the Community Services and Licensing Committee at their meeting on 28th March – see webcast details above to hear the report from Cllr Craig under the same agenda item. The Stroud TIC was not specifically mentioned.

LEGAL IMPLICATIONS

The Council has the General Power of Competence which is “the power to do anything that individuals generally may do” as long as they do not break other laws. This power would allow the Council to own and manage property.

Legal advice has been sought on the terms of the lease offered by SDC. The solicitor’s advice should be considered carefully.

FINANCIAL AND STAFFING IMPLICATIONS

Expenditure and commitments to date:

Business plan consultancy	£10,205.00
Legal	£1,600.00
Surveys	£2,340.00
Consultation	£452.50
Total	£14,597.50

Financial contributions previously agreed are included the draft budget for 2018-19.

There will be a need for a significant input of staff time (Clerk and Deputy Clerk) during the transfer, which will impact on other projects.

EQUALITY IMPLICATIONS

When planning renovations or improvements to the building consideration should be given to maintaining and improving accessibility.