

Report No.4.

Report to Policy & Resources Committee June 2013

Old School Room, Town Hall.

1. Purpose of the report

- 1.1 To inform the committee of the latest position on the Old School Room and seek confirmation of action to be taken.

2. Background

- 2.1 When the Town Council agreed to substantially reduce the cost of hiring the Town Hall for local voluntary groups it was on the assumption that a rental income would be received from the commercial occupation of the Old School Room.
- 2.2 The anticipated rental income was assessed at £10,000 to £12,000 plus a service charge in the region of £2,000 and payment of non-domestic rates.
- 2.3 Local agents were appointed to promote and advertise the Old School Room and an offer was received meeting the financial expectations but for a use deemed unsuitable by the Council.
- 2.4 Several other potential tenants have inspected the premises over the last few months but only one offer has been received.

3. Proposal

- 3.1 A potential tenant has offered a rental fee of £6,500 per annum with a service charge fixed at £1,250 per annum, both sums net of VAT. The lease would be for a period of five years with a break at three years.
- 3.2 The area of the Town Hall would need to be re-valued by the Rating Officer and the Town Council would be required to fund the installation of an electricity sub-meter and undertake repairs to the dampness present in some of the walls.
- 3.3 The prospective tenant would be prepared to install a new floor surface at her expense.

4. Financial Implications and risks

- 4.1 The level of rental offered is far less than the original figure envisaged by the Town Council when the reduction in hire charges was agreed.
- 4.2 The Town Council recently agreed a number of core objectives, one of which included for the provision of a community hub for Malmesbury and although details have yet to be explored it is difficult to envisage where this could be located in the Town Hall other than the Old School Room.
- 4.3 In the event that the Town Council may wish to review the previous decision to seek a commercial tenant for the Old School Room, the agents need to be advised accordingly in order to avoid unnecessary expenditure.

5 Recommendation

- 5.1 The committee is requested to consider the offer made for a lease of the Old School Room and if rejected to determine what instruction is to be given to the agents currently marketing the room.

Jeff Penfold
Town Clerk
05.06.2013