

## COUNCIL

19 JULY 2018

### **THE LONG TERM FUTURE OF THE CORN EXCHANGE, ENHANCEMENT OF THE GUILDHALL MUSEUM – SALE OF THE FORMER CONSERVANCY BUILDING, 17 HIGH STREET, ROCHESTER**

Portfolio Holder: Councillor Adrian Gulvin, Resources  
Report from: Perry Holmes, Chief Legal Officer  
Author: Noel Filmer, Head of Valuation & Asset Management

#### **Summary**

This report advises Council how the long term future of the Corn Exchange building and the Guildhall Museum will be enhanced following Cabinet's decision on 10 July 2018 in respect of the proposed sale of the Conservancy building.

**This report is submitted for Members' information (please refer to paragraph 1.3 below for further details).**

#### **1. Budget and Policy Framework**

- 1.1 As the consideration payable to the council for the disposal will be over £100,000, this is a matter for Cabinet.
- 1.2 Any additions to the capital programme are a matter for Full Council. A report will be submitted to a future meeting of Full Council following the sale of the premises to add a scheme to the Capital Programme using the proceeds of the capital receipt.
- 1.3 It is possible that the disposal value of the premises will exceed £500,000, in which case, there is a requirement to submit a report to Full Council for information only, in accordance with the financial limits in the Constitution. This report complies with that constitutional requirement.

#### **2. Background**

- 2.1 The premises shown edged black on the attached plan (Appendix 1) are owned by Medway Council and are currently used as part of the adjoining Guildhall Museum. The premises are Grade 2 Listed.

- 2.2 It is considered that the exhibits and facilities which are currently located in the premises, could be relocated to the Guildhall Museum and Eastgate House.
- 2.3 It is also considered that the building is therefore surplus to operational requirements and could be sold.
- 2.4 The Council has a number of priority buildings in Rochester. Both the Guildhall Museum and the Corn Exchange building on Rochester High Street are considered to be high priority for maintenance and capital investment. It is proposed that some of the capital receipt realised from the sale of the Conservancy Building could be used to fund those and other maintenance works identified, subject to stringent governance arrangements and Member oversight.
- 2.5 A report was submitted to Cabinet on 10 July 2018 which set out options as follows:
  - 2.5.1 Take no action regards the Conservancy Building, which would mean having to identify other sources of funding to pay for maintenance and enhancement works at the Guildhall museum Corn Exchange and potential other priority schemes but that it is highly unlikely that such funding would be available in the present financial climate (option A);  
or
  - 2.5.2 Agree to declare the Conservancy Building as surplus to operational requirements and authorise the sale (option B).
- 2.6 The Cabinet agreed option B by delegating authority to the Chief Legal Officer, in consultation with the Portfolio Holder for Resources to declare surplus and dispose of the Conservancy Building as shown edged black on the attached plan, as set out in Appendix 1 to the report, on the best terms reasonably obtainable (decision no. 96/2018).
- 2.7 The Conservancy Building currently acts as an annex to the Guildhall Museum on Rochester High Street, with customers crossing a cobbled alleyway, Bull Lane, separating the two buildings. It is considered that the exhibits and storage from the Conservancy Building can be relocated to the adjoining Guildhall Museum and Eastgate House, which has recently undergone an extensive refurbishment. This will enable the exhibits to continue to be viewed whilst also enhancing the visitor experience at those venues.
- 2.8 If the premises are sold, it is likely that, subject to the necessary planning approvals being obtained, the premises will be used for an alternative use and the council's planning department has confirmed that the premises could be suitable for residential, offices, retail, leisure, hotel or retail/restaurant use. In order to add to the desirability of the premises on disposal, it is proposed to sell the area of Bull Lane between the premises and the Guildhall, but the council will reserve any rights it needs over this area. Also this area is a public passageway and will be sold on this basis.

- 2.9 The presence of the Conservancy Building within the Historic Rochester Conservation Area and the fact that it is a listed building will ensure that the impressive and ornate façade is retained.
- 2.10 The Council wishes to maintain the museum status of the Guildhall museum and will therefore seek to identify enhancements that will enable this much loved visitor attraction to continue to thrive.
- 2.11 The Council sought market interest for an external business to operate the Corn Exchange during 2017, but that process did not conclude with an acceptable solution. The sale of the Conservancy Building and re-use of some of the capital receipt to enhance priority capital works at the Corn Exchange will allow the Council to retain that building and seek a longer term management plan for it.

### 3. Risk management

- 3.1 The Cabinet report (10 July 2018) set out the following risks which are set out as follows for information. If Cabinet chooses not to dispose of the Conservancy Building it will have to continue paying the running costs in respect of them and maintaining the premises. Also it will not be able to make use of any capital receipt to improve and carry out repairs to the Guildhall Museum or the Corn Exchange.

<b>Risk</b>	<b>Description</b>	<b>Action to avoid or mitigate risk</b>
Local concern at the sale of a prominent high street building and concern about a diminution in service delivery.	The Conservancy Building is on Rochester High Street and is prominent. The proposal would involve closing one building which forms a current part of the Council's museum offer in Rochester.	Local members have been consulting about the proposal. The proposal is that the Guildhall Museum will be enhanced and that works are displayed in other Council buildings, as appropriate. An e-petition has been launched about the sale.
Management of the building once it is vacant.	Empty buildings can be difficult to manage and be a target for vandalism and anti-social behavior.	Ensure that the premises remain occupied and secure until the time that they are sold and commence work to dispose of the premises as soon as Cabinet has agreed to sell them.

### 4. Consultation

- 4.1 The relevant Portfolio Holders and the Council's Planning team have been consulted and have no objections to the proposed disposal.

- 4.2 The Council has not routinely consulted on building disposals. Both Local Members have, however, been consulted and it is understood have in the last month, been seeking views from their locality on the proposal.
- 4.3 The provision of museum services is a discretionary service and as such there is no legal requirement to consult on any changes. In as much as there is an impact on service provision, there are plans to enhance the offer in other Council facilities and broadly the service at the Guildhall Museum continues unaffected.
- 4.4 At the time of writing this report there is some social media activity which is not in favour of the proposal and an e-petition has been launched on the Council's website:  
<https://democracy.medway.gov.uk/mgEPetitionDisplay.aspx?ID=105&RPID=31301370&HPID=31301370>
- 4.5 The e-petition runs from 4 June to 16 July 2018.

## **5. Financial and legal implications**

- 5.1 The Council is under a duty to obtain the best consideration reasonably obtainable when it disposes of interests in property, unless consent is obtained from the Secretary of State or one of the general consents applies.
- 5.2 The Conservancy Building currently costs the Council approximately £25,000 to £30,000 per annum to run. This cost will be saved once the premises are disposed of.
- 5.3 There are no onerous covenants, which would prevent the Council disposing of the Conservancy Building.

## **6. Recommendation**

- 6.1 The Council is asked to note the report.

### **Lead officer contact:**

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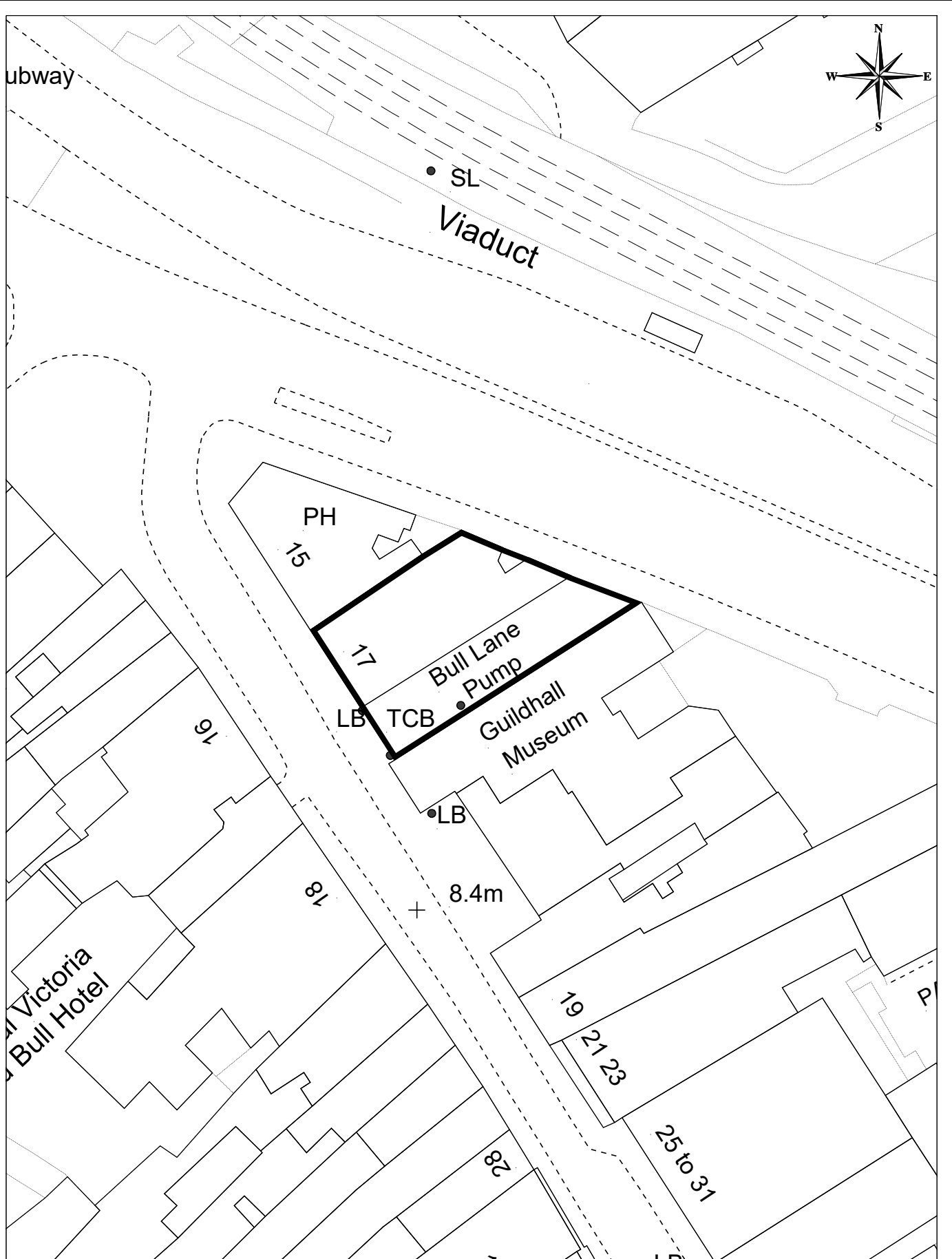
E: [Noel.filmer@medway.gov.uk](mailto:Noel.filmer@medway.gov.uk)

### **Appendices**

Appendix 1 – site plan

### **Background papers**

None



**Former Conservancy Building  
17 High Street, Rochester  
Appendix 1**

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