

PROPERTY TRANSACTION - CROMER – COLLECTORS CABIN, NORTH LODGE PARK

Summary:	The 'Collectors Cabin' is a small thatched former commercial property fronting onto the sunken gardens in North Lodge Park. As previously agreed with Members the premises have been on the market to let since earlier this year and terms have now been agreed with an experienced business couple who will invest in the premises to create an ice cream parlour with outside tables and chairs.
Options considered:	The vacant property asset has been marketed and proposals have been received and these are detailed within the report. A previous option to demolish the premises has now been shelved.
Conclusions:	Of the two firm offers received and detailed in the report Proposal 2 is deemed to be the best option given that the financial offer is higher than Proposal 1
Recommendations:	1) Approve Proposal 2 2) That should there be any further negotiations to the lease proposals, to delegate to the S151 Officer in consultation with the Portfolio Holder and Assistant Director of Finance, Assets & legal
Reasons for Recommendation:	The recommendation is being made as it will provide the best use of the site and would meet the Council's obligation to secure best financial value.

Cabinet Member(s)	Ward(s) affected
Cllr Seward	Cromer Town Suffield Park
Contact Officer, telephone number and email: Neil Turvey 01263 516124 neil.turvey@north-norfolk.gov.uk	

1.0 Introduction & Summary

1.1 The Collectors Cabin

Collectors Cabin is a currently vacant thatched former retail space overlooking the Sunken Gardens within North Lodge Park and provides some

19 sq.m / 205 sq.ft of space on a single level - see location plan at Appendix 1.

Discussions have now been concluded with our colleagues in the Environmental Health (EH) Public Protection team to establish what constraints may be imposed on this property that might limit its potential as a building capable of creating some commercial property income.

It has been confirmed that in order to create a unit capable of offering any catering or retail use then it would be necessary to invest in providing a potable water supply and a foul/waste water provision.

- 1.2 In the Autumn of 2021 various remedial works were completed by NNDC using part of a previously agreed budget as follows;
- the removal of the asbestos flooring and provision of a new vinyl floor
 - upgrade & re-commissioning of the electricity supply
 - provision of new emergency strip lighting and Fire Exit signage
- 1.3 The property is considered to be 'ancillary' listed as part of the wider Lodge listing and following discussions with our Conservation Officer it has been confirmed that any external repair and maintenance and any internal non-structural changes would not require listed building consent.

2.0 Post marketing position

- 2.1 Following the marketing campaign, several parties showed interest in the site and two financial bids have been received – see marketing particulars at Appendix 3.
- 2.2 Proposal 1 – see Appendix 4
- 2.3 Proposal 2 – see Appendix 4
- 2.4 In either case NNDC would insure the structure of the premises and re-charge this to the ingoing tenant and the tenant would agree a Licence for Alterations alongside the lease to detail the improvements to be made.
- 2.5 Planning consent would be required for a change of use and Building Control approvals for the proposed alterations.
- 2.6 The proposed demised area is shown on the plan at Appendix 2 and includes external areas for tables and chairs

3.0 Corporate Plan Objectives

- 3.1. The letting of the asset within North Lodge Park would contribute to the following Corporate objectives;
- Boosting Business Sustainability and Growth – the proposed operation would provide a vibrant new business with new employment
 - Financial Sustainability and Growth – the proposal provides for new property income to be created from a currently redundant and deteriorating asset
 - Quality of life – the refurbishment of the premises and its active use will enliven this location within North Lodge Park and add to the quality and diversity of offerings within the locale.

4.0. Medium Term Financial Strategy

- 4.1. The proposals outlined here would positively contribute to the Council's MTFS in creating new income from a previously redundant property asset.

5.0 Financial and resource implications

- 5.1. The proposed letting would require Estates and Legal resources. The lease would be full repairing so there would be no R&M obligation on NNDC during the term of the lease.

6.0 Legal implications

- 6.1. A dedicated legal resource will be required and it may be necessary to use external solicitors in order to expedite the transaction.

7.0 Communications issues

- 7.1. Any comms/reputational issues relating to the report will be discussed with the Comms team. This will cover all aspects of stakeholder management – internal/external stakeholders, media etc.

8.0 Sustainability & Climate

- 8.1 The physical structure, age and size of the premises does limit the potential for improving sustainability.

- 8.2 Recent physical improvements have been made with a re-commissioning of the electrical supply, the removal of an asbestos floor with new vinyl flooring now in place, and new strip lighting.

- 8.3 The ingoing tenant have advised that they will operate as sustainably as they are able with all products wherever possible being recyclable or compostable and they will be carrying out the following improvements as part of their refurbishment;

- Grey water retention for watering adjacent flower beds
- Provision of LED lighting
- The exterior will be painted white to reflect the heat
- The roof space will be insulated with non-flammable insulation

9.0 Equality & Diversity

- 9.1 There are no material concerns in this regard.

10.0 S17 Crime & Dis-Order

- 10.1 There are no material concerns in this regard.

11.0 Risks

- 11.1. Financial risk of a building remaining empty and becoming a repair liability.
- 11.2 Any of the usual risks around landlord and tenant matters can be mitigated with proactive and interactive asset management
- 11.3 Reputational risk that NNDC are not using their property assets to their fullest potential.

12.0 Recommendations

- 12.1 Approve proposal 2 and
- 12.2 That should there be any further negotiations to the lease proposals made to delegate to the S151 Officer in consultation with the Portfolio Holder and Assistant Director of Finance, Assets & Legal.