

Agenda Item No: 5

FORMER MILL ROAD LIBRARY – UPDATE ON ISSUES WITH LEASE TO INDIAN COMMUNITY AND CULTURAL ASSOCIATION

To: **COMMERCIAL & INVESTMENTS COMMITTEE**

Meeting Date: **25 May 2018**

From: **Chris Malyon, Deputy Chief Executive**

Electoral division(s)

Forward Plan ref: **Not applicable** *Key Decision:* **No**

Purpose: **Update on issues with former library at Mill Rd, Cambridge which is let to the Indian Community and Cultural Association**

Recommendation: **It is recommended that:-**

- (1) Officers agree a negotiated surrender of the lease of the old Mill Road Library from the Indian Cultural and Community Association and to explore option for sale or letting.**
- (2) The final terms of the surrender be delegated to the Deputy Section 151 officer in consultation with the Chairman of the Committee**

<i>Officer contact:</i>		<i>Member contacts:</i>	
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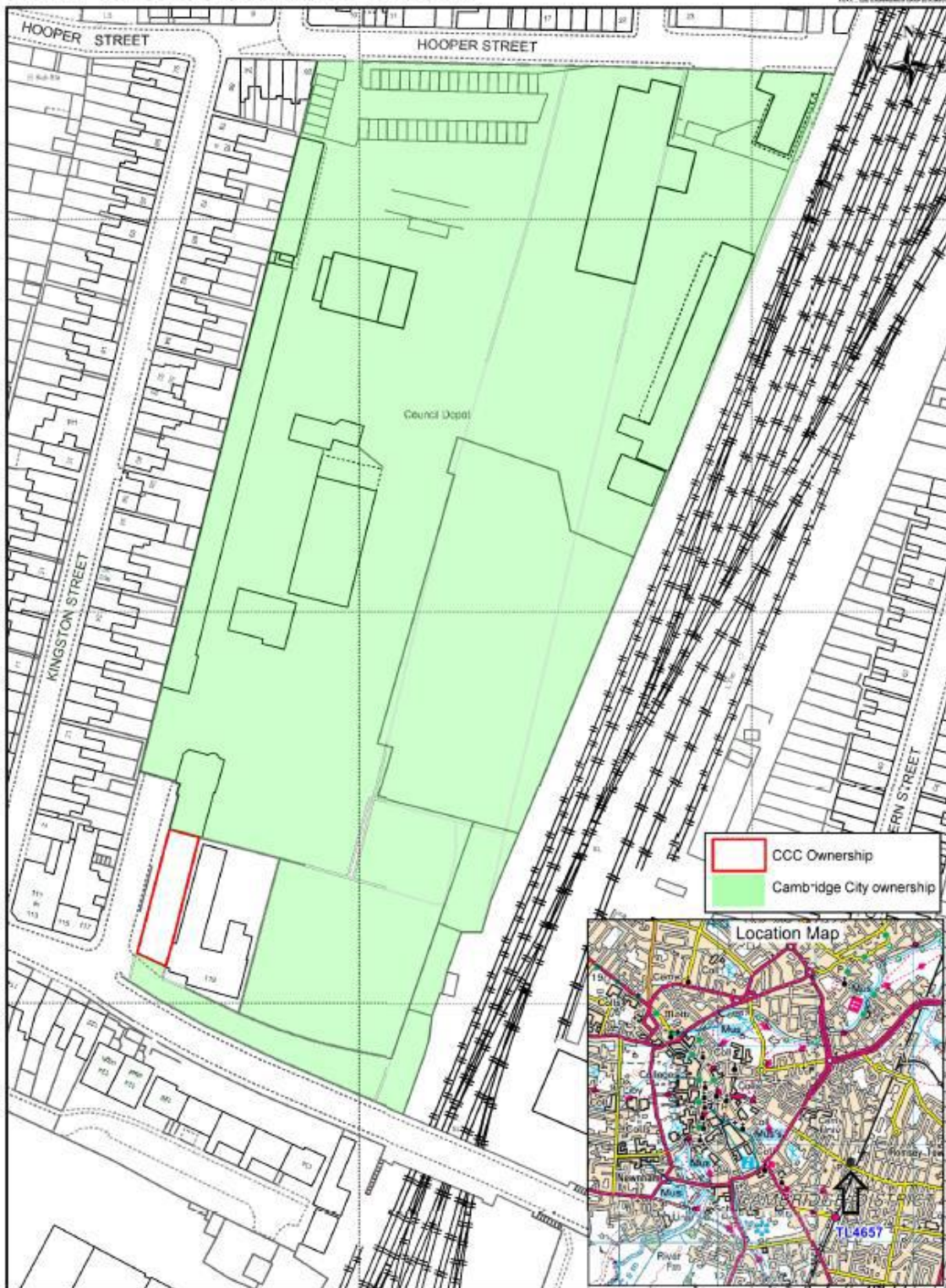
1. BACKGROUND

- 1.1 The former Mill Road Library, a Grade 2 listed building on Mill Road, Cambridge was let to the Indian Community and Culture Association in 1999 for 25 years at a peppercorn rent. In return for the peppercorn rent the Association is responsible for repair and maintenance of the building and for insurance.



- 1.2 The building is located on Mill Road at the entrance of the Mill Road depot belonging to Cambridge City Council. The depot is being redeveloped for housing and a planning application for 167 houses has been submitted.
- 1.3 In 2013 Informal Cabinet considered proposals from the ICCA to buy the building but they were not able to meet the Council's valuation. They also considered extending the lease which would have allowed them to seek grant funding for improvements.
- 1.4 The Council has pursued the ICCA about outstanding repairs, which as the building is Grade 2 Listed are a cause for concern and also their long term interest in buying the building but it has been extremely difficult to get responses.

Former Mill Road Library (USRN:00102)



Scale (at A4): 1:1250

Date: 21st January 2013

By: bs270

File: \\CCC.Cambridgeshire.gov.uk\gis\Res\Ppd\Estates\NON-FARMS\Members\13-01-21 Former MillRdLibrary wor (Job 1302066)

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2 BUILDING CONDITION

- 2.1 BWB, building consultants with listed building experience, were appointed in December 2017 and produced a condition survey in February 2018. They identified in the region of £200,000 of remedial work mainly resulting from water penetration through the walls and windows rather than the roof.
- 2.2 Under the Planning (Listed Buildings and Conservation Areas) Act 1990 the planning authority (Cambridge City Council) can require repairs to be carried out and also requires consent for alterations to be obtained from the planning authority.
- 2.3 Repair and urgent preservation notices could be served by the City Council on the County Council as owner.
- 2.4 The County Council as Landlord would have to take action against the tenant for breach of the lease and to recover costs.

3 LANDLORD AND TENANT OPTIONS

- 3.1 Legal advice has been sought on how to enforce the ICCA's repairing obligations.
- 3.2 The Landlord is not able to claim for damages unless it has served a notice on the tenant under section 146 of the Law of Property Act 1925 (a section 146 Notice) in relation to the breach of covenant. The tenant is able to serve a counter notice.
- 3.3 If the s 146 notice is not complied with then forfeiture can be pursued to end the tenancy but that can be time consuming.
- 3.4 In the short term the Council wrote to the tenant enclosing the condition survey and asked them to engage or the matter would be escalated and they have complied.
- 3.5 It is likely that faced with a high repair bill the Charity Trustees could simply close the Charity and surrender the Lease, without any liability for dilapidations, which will then fall to the County Council.
- 3.6 A face to face meeting was held on the 19th April with the Chair of the ICCA. She recognised their responsibility for repairs but said that the ICCA had very limited resources. A negotiated surrender was discussed and had been discussed by the other trustees but not by the wider membership who number about 250 people. The ICCA AGM will be at the end of May and there would be an opportunity to discuss their position then in the light of any direction from the Commercial & Investments committee.

3.0 OPTIONS SHOULD THE TENANT VACATE

- 3.1 The building is centrally located on a busy street with retail and food outlets.
- 3.2 The City Council have expressed an interest in acquiring the building but have indicated that they would require all the repairs to be carried out. An open market sale could also be considered but no valuation has been sought yet.

- 3.3 Carter Jonas have informally looked at the building and confirmed that there has been strong interest nearby in shop units being converted to a mid-level restaurant. If the building was in good repair and based on its footprint it might have been worth a rental of £60,000 pa even with its current D1 planning use class.
- 3.4 The D1 planning Use Class which form the basis of community facilities including premises used for:
- The provision of traditional and complementary medical or health services, except for the use of premises ancillary to the home of the consultant;
 - The provision of education;
 - A crèche, day nursery or playgroup;
 - Place of worship or religious instruction;
 - A museum or other building to display works of art for public viewing;
 - A community centre, public hall or meeting place; and
 - A public library.
- 3.5 A change of use could be possible provided the occupier applied for permission for change of use from Cambridge City Council. However, the D1 user restriction would frustrate any change of use and it is likely any application which seeks to remove this use would only be approved at appeal and even then there would need to be significant factors for a change from D1.

4.0 ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

The site if vacated could have benefits for the local economy.

4.2 Helping people live healthy and independent lives

The building is used by the ICCA for religious practices and also as a cultural centre.

4.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

5. SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

The building is potentially a financial liability for the County Council if the tenant does not comply with the terms of their tenancy and carry out the identified repairs.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

5.3 Statutory, Legal and Risk Implications

Legal advice has been provided on the Statutory, Legal and Risk arising from the tenants neglect and the Council's responsibilities as owner.

5.4 Equality and Diversity Implications

The community group do not have sufficient funds to carry out the identified repairs. They do have an alternative location to move to if they have to vacate.

5.5 Engagement and Communications Implications

There are no significant implications within this category.

5.6 Localism and Local Member Involvement

The Local Member Linda Jones is aware of the issues.

5.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	N/A Name of Officer:
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Michael Anker. LGSS Law
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Tamar Oviatt-Ham
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Christine Birchall Head of Communications and Information
Have any Public Health implications been cleared by Public Health	N/A

