

# CABINET

## FUTURE OF ASSEMBLY ROOMS 5 November 2013

### Report of Chief Officer (Environment)

PURPOSE OF REPORT			
To seek Cabinet's approval to develop a business case for the future use of the Assembly rooms			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision		7 Oct 2013	
This report is public			

#### OFFICER RECOMMENDATION

- (1) That Cabinet approves the development of a business case for an alternative trading use for the Assembly Rooms based on the findings of Appendix A.

#### 1.0 Introduction

- 1.1 Work has been taking place to establish whether the current use of the ground floor of Assembly Rooms as an indoor market is sustainable. Footfall is not increasing, turnover of new traders is high, there are several vacant stalls and income generated by the Council is minimal. (Note the upper floor is currently leased to Ludus).
- 1.2 The market sells a range of eclectic items that have a very niche audience.
- 1.3 The building itself is a historical listed building and is located in between the Castle and the City Centre, albeit on the outer side of the ring road.
- 1.4 In its current usage it is hard to attract visitors even more so spending visitors.
- 1.5 Because of its location between the city centre and the Castle and because of the historical nature of the building it does seem that there are other opportunities for trading from the building that could be explored.
- 1.6 To assist in this regard specialist consultants were commissioned to undertake independent consultation, provide advice and research best practice.
- 1.7 The results of the work are outlined in appendix A.

## **2.0 Proposal Details**

- 2.1 As can be seen from Appendix A, it is clear that there are actually significant opportunities offered from using the Assembly Rooms in a different way.
- 2.2 Clearly this would have an impact on existing traders within the Assembly Rooms. The Council charges minimal rents for stalls and currently there are a number of vacant stalls. Traders are issued with Licences which mean the Council can serve notice on traders at any point.
- 2.3 At this stage the proposal is to seek an in principle decision from Cabinet for a possible alternative trading use for the Assembly Rooms as a tea room / food emporium. This would then provide the mandate for officers to develop a sustainable business case which would then be brought back to Cabinet for further consideration.

## **3.0 Details of Consultation**

- 3.1 In undertaking the work in Appendix A consultation was undertaken with a number of stakeholders including existing traders relevant Councillors and Officers. Existing traders have been made aware of the proposals.

## **4.0 Options and Options Analysis (including risk assessment)**

- 4.1 Option 1- to approve the principle of the proposal which will allow a detailed business case to be developed
- 4.2 Option 2- to not approve the principle of the proposal. This will mean that for the time being the Assembly Rooms would continue to operate as at present,, which based on the amount of vacant stalls, lack of spending customers and the minimal rent charged by the Council is unsustainable for the long term.

## **5.0 Officer Preferred Option (and comments)**

- 5.1 The officer preferred option is option 1

## **6.0 Conclusion**

- 6.1 The report seeks agreement to the development of a sustainable trading use for the Assembly Rooms

### **RELATIONSHIP TO POLICY FRAMEWORK**

Economic Growth – Develop the Festival, Charter and Assembly Room markets to help support their sustainability and viability

### **CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

The development of a business case will include relevant impact assessments

### **LEGAL IMPLICATIONS**

Legal have been consulted and have no comments to add at this stage

## FINANCIAL IMPLICATIONS

There are no financial implications directly arising from this report.

For information, the latest draft estimates include the following amounts in relation to the Assembly Rooms :-

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
	<b>Revised</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Expenditure – Premises Costs	16,100	16,700	16,700
Income – Rent Income	(20,000)	(20,000)	(20,000)
<b>NET INCOME</b>	<b>(3,900)</b>	<b>(3,300)</b>	<b>(3,300)</b>

\* The above figures exclude amounts for capital charges and internal recharges

The preferred option will potentially result in a change of usage for the Assembly Rooms so therefore any recommendations arising will be reported to Cabinet and budgets updated as appropriate.

## OTHER RESOURCE IMPLICATIONS

### Human Resources:

NA

### Information Services:

NA

### Property:

Structural work to the value of £160,000 is scheduled to take place in this financial year following the Council's condition survey of its building.

Property matters for the whole building, not just the ground floor, will be factored into the development and appraisal of the business case.

### Open Spaces:

NA

## SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

none

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