



FULL COUNCIL REPORT

Date Written	15 th December 2015
Report Author	Geraint Morgan/Zoe Thomas
Service Area	Legal and Democratic Services/ Economic Development
Exempt/Non Exempt	Non Exempt
Committee Date	6 th January 2016

To: Mayor, Ladies and Gentlemen

Miners Hall Re-development

1.0 SUMMARY OF THE REPORT

- 1.1 Miners Hall is a Grade II Listed Building which was included as part of the VVP Programme.
- 1.2 It is proposed that the building is acquired and mothballed in order to create residential units in the heart of the Town Centre.
- 1.3 Under section 48 of the Planning Act a local planning authority can serve a notice setting out the repairs needed for the preservation of a Listed Building.
- 1.4 If the building is not repaired within two months, the local planning authority may then serve a compulsory purchase order under Section 47 of the Act.
- 1.5 The process allows the local authority to ensure that a Listed Building is properly preserved and not allowed to deteriorate by the owners inactivity whether by accident or design.
- 1.6 Back to back deals provide an alternative solution for Listed Buildings where an identifiable market has shown an interest in acquiring a building.
- 1.7 A Structural Inspection Report was commissioned on the property in Spring 2015.
- 1.8 An Options Appraisal has been highlighted within the report on how the building can be mothballed.

- 1.9 £450,000 has been secured from Welsh Government as part of the VVP Programme for the acquisition and mothballing of the building.
- 1.10 To seek confirmation that Council raises no objection to (a) serving a repairs notice under s48 Listed Buildings and Conservation Area Act 1990; (b) to seek authority to acquire the Miners Hall by any appropriate means, including negotiation or through compulsory purchase; and (c) to negotiate a “back-to-back” sale of the Miners Hall, Merthyr Tydfil to a partner to secure the full repair of this Listed Building.

2.0 RECOMMENDATIONS that

- 2.1 A Listed Building Repairs Notice be served on the owners of the Miners Hall, Merthyr Tydfil.
- 2.2 Authorisation be granted to (i) acquire Miners Hall, Tramroad Terrace, Merthyr Tydfil by any appropriate means, including through negotiation or through statutory compulsory purchase, and (ii) negotiate a “back-to-back” sale of the Miners Hall, Merthyr Tydfil to a partner to secure the full repair of this Listed Building

3.0 INTRODUCTION AND BACKGROUND

- 3.1 The Miners Hall is a Grade II Listed Building which was included as part of the VVP Programme as it is a prominent derelict building in the heart of the Town Centre. It is envisaged that through the re-development of the building, new residential properties will be created in a central location.
- 3.2 £450k has been secured for the acquisition and mothballing of the property within the VVP Programme. A partner organisation has been identified to renovate the property into housing units post Programme period.
- 3.3 The Land Registry documents give the owners’ address as Charbonniers, Church Street. This building is derelict. Attempts by council officers to ascertain the current address of the owners have proved unsuccessful. The Council can only proceed on the information it has at its disposal and it is for the landowner to provide the Land Registry with a current address. Any notices that need to be served will be attached to the building and the statutory guidelines for serving of all notices will be followed.
- 3.4 The powers available to local authorities in dealing with the problem of historic buildings that are considered to be “at risk” are contained in the Planning (Listed Buildings and Conservation Areas) Act 1990. Sections 47-51 and 54-56 of the Act which deal with “the compulsory acquisition of listed buildings in need of repair”, and “urgent preservation” respectively.
- 3.5 These powers have considerable “teeth” since they are quite extensive and can be very far reaching for the owner of a listed building who chooses to ignore them. There are specific financial implications with the Council’s use of these powers. However, “back to back” deals in respect of listed buildings can be used to help alleviate fears of any possible financial implications.

- 3.6 Under section 48 of The Planning (Listed Buildings and Conservation Areas) Act 1990 a local planning authority can serve a notice setting out the repairs needed for the proper preservation of a listed building. If the building is not repaired within 2 months, the local planning authority may then serve a compulsory purchase order under section 47 of the Act, and if confirmed by the Secretary of State, proceed to acquire the building in accordance with the Acquisition of Land Act 1981. In cases where it can be proved that the building was being neglected deliberately in order to justify demolition for redevelopment, the Secretary of State can direct that the owner be paid only minimum compensation if the compulsory purchase order is confirmed.
- 3.7 When the repairs notice is served, the owner has three main options: to comply with the notice; to do the works which he or she considers necessary but which are not included in the notice; or do nothing. The procedure is designed to allow a local authority to ensure that a listed building is properly preserved and not allowed to deteriorate by its owner's inactivity whether by accident or design. The mechanism involved is compulsory purchase initiated only after the service of a notice setting out the repairs needed. Councillors need to be aware that it is highly unlikely that any communication will be received from the owners and that it will be necessary to acquire the building using the Council's compulsory purchase powers.
- 3.8 Very few repair notices ever reach the stage where the Secretary of State confirms the compulsory purchase order. Even fewer buildings are retained by local authorities for repair because of the financial implications of such action. The aim is usually to dispose of the building immediately, to a purchaser who will carry out the necessary repairs. Such deals are known as back to back agreements whereby the building is compulsorily acquired by the local authority and disposed of to a new owner. The government allows such special arrangements to help local authorities to carry out their enabling role for the preservation of historic buildings.
- 3.9 Where a local authority sells on an historic building that it acquired either by agreement or by compulsory purchases and the price received on resale is no more than the price paid, the capital receipt is unrestricted. This is so provided that the contract for disposal of the building is made within 2 years of the acquisition and completed within the third year. Any profit will be subject to the normal restrictions but allowance within made for incidental expenditure, such as legal costs.
- 3.10 If the resale of the listed building is simultaneous with the purchase, then there is no financial cost. However, if there is a period of time between the purchase and the resale then usable capital receipts could not be used by the authority for other purposes during that time. In addition, any loss of interest on the receipts being used might also need to be taken into account. Further, a listed building could be subject to price fluctuation in the intervening period that could result in a small loss being experienced by the local authority.
- 3.11 The serving of a repairs notice under section 48 does not commit the Council to compulsory purchase under section 47. At any stage before the confirmation of the compulsory purchase order the owner may carry out the repairs to the building.

- 3.12 Back to back deals provide an alternative solution for listed buildings where there is an identifiable market with individuals, companies or developers expressing an interest in acquiring such buildings. The service of a repairs notice and a back to back deal can result in the repair of such buildings.

4.0 CONSIDERATIONS

- 4.1 A Structural Inspection Report of the building was undertaken in spring 2015. The repairs required were scheduled in the report. The District Valuer also prepared a report on the building in June 2015 and it is currently valued at £1.
- 4.2 At the time of the report, the property had stood empty for twenty years and there was concern about the long term and short term stability of the property. Following the wholesale collapse of the roof structure and loss of roof covering, together with the loss of the glazing, deterioration of the building's structural fabric due to the effects of weathering, primarily associated with water ingress, has left parts of the structure in a dangerous state of repair. The structural fabric has deteriorated to such an extent that the majority of the building is considered to be beyond economic repair. If left unattended the fabric will continue to deteriorate until collapse.
- 4.3 Capita, who undertook the Structural Inspection Report, has recommended a short term and long term approach to bringing the building back into beneficial use especially due to the importance of the property from a historical point of view, with it being Grade II Listed.

Option 1 – Short Term Holding Measures (2-5 years)

Minimal intervention; only sufficient to temporarily maintain the structural integrity of parts of the building, and address any safety issues. These temporary measures will not prevent water ingress and therefore not arrest further deterioration of the building, which is already in a poor condition. Extensive works in the future would still be required to make the remainder of the building safe.
Expected budget cost of works (inc. fees etc) = £133,260.

Option 2 - Longer Term Holding Measures (Greater than five years)

These holding measures will effectively 'mothball' the building, and though temporary, will provide a more permanent solution than Option 1. Structural repairs will allow a new temporary roof to be supported off the existing building.
Expected budget cost of works (inc. fees etc) = £258,540.

- 4.4 There is a total of £450,000 available from the VVP Programme for the Miners Hall project, for the acquisition and extensive mothballing of the property. Any additional funding required for the creation of the residential units will be identified by the partner organisation, earmarked to deliver this project.
- 4.5 It is proposed that upon completion the Miners Arms and Hall collectively will become 30 social housing units and create 600 square meters of residential floor space. A number of community benefits will also be achieved through the delivery of the scheme. The funding will also help preserve an historic asset and bring a derelict building back into use.

5.0 FINANCIAL IMPLICATIONS

5.1 There are no financial implications on the local authority. £450,000 has been secured as part of the VVP Programme and approved by Welsh Government to deliver this project. These costs will accommodate the acquisition of the building and the mothballing works. Any additional funding required to develop the property into residential units will be identified by the partner organisation.

6.0 SINGLE INTEGRATED PLAN AND SUSTAINABILITY IMPACT SUMMARY

6.1 The proposal should have a generally positive impact both from a social, health and an economic standpoint.

7.0 EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

ELLIS COOPER
DIRECTOR - PLACE AND
TRANSFORMATION

COUNCILLOR CHRIS BARRY
CABINET MEMBER FOR
REGENERATION, PLANNING AND
COUNTRYSIDE

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Does the report contain any issue that may impact the Council's Constitution?		No

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.