

# ***Report to the Council***

**Committee: Cabinet**

**Date: 5 November 2013**

**Portfolio Holder: Councillor A Grigg**

**(Asset Management and Economic Development)**

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## **SUPPLEMENTARY CAPITAL ESTIMATE – BRIDGEMAN HOUSE, WALTHAM ABBEY**

### **Recommending:**

**That a supplementary capital estimate in the sum of £654,000 be approved for the purchase of the leasehold interest in the second floor of Bridgeman House, Waltham Abbey and to the carrying out of refurbishment work, if required.**

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1. The Council has agreed to purchase the first floor of Bridgeman House as an extension to the adjoining Museum. This is currently with solicitors and the acquisition is expected to be completed shortly.
2. The second floor of the building comprises 5,000 square feet and has been vacant since 2011. Both the first and second floors were previously used as offices. The owners have obtained planning approval to convert this space into 8 residential units which they intend to let out on assured shorthold tenancies to provide an income to their investment company. The use for residential purposes above the new Museum extension would provide both security risks and risk of damage due to water if flooding or leaks occurred.
3. Following negotiations by the Council's agents, Bidwells, the owners of the long leasehold interest in the second floor of Bridgeman House are prepared to sell their interest to the Council. There is an unexpired term of 972 years.
4. Waltham Abbey Town Centre has been identified as the town centre in the District most in need of regeneration and support for both the retail offer and town centre employment uses. The relocation of the previous office tenants has therefore been a blow to the town and the retention of the second floor by the Council for employment use will in some way mitigate this.
5. We understand that if offices are let the rental would be in the region of £40,000 per annum.
6. There is also the opportunity for the Council to undertake some refurbishment work to divide the offices into small suites to let on flexible terms for small and start up businesses. However, if the whole of the second floor is let as one tenancy the refurbishment works would not be necessary.
7. We recommend as set out at the commencement of this report as the purchase will provide an investment for the Council and rental income and overcome the problems for the Museum extension on the first floor.