

**TITLE: Assets in Ely**

Committee: Finance & Assets Committee

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**1.0 Issue**

- 1.1. To consider the freehold/leasehold transfer(s) of The Maltings, Maltings Cottage and Oliver Cromwell House, all located in Ely, to City of Ely Council.

**2.0 Recommendations**

- 2.1. Members are requested to:
- 2.2. Approve the transfers or, where relevant, extend the leases of The Maltings, Maltings Cottage and Oliver Cromwell House, Ely to City of Ely Council as set out in 4.7.1-4.7.8 of this report, and
- 2.3. Delegate authority to the Director Legal to complete the relevant legal documentation to implement 2.2 above.

**3.0 Background/Options**

- 3.1. There is a long history relating to all three of the assets being considered in this report. Below is a summary of each of the assets.

**3.2. Maltings Cottage**

- 3.2.1 In February 2013, as part of a wider consideration of assets and services provided in Ely, the Council entered into a full repairing lease with City of Ely Council for the Maltings Cottage, Ely. The lease is for a 25-year period. The terms of the lease require the building to be used for specific purposes and any other purpose would require the consent of the Council.
- 3.2.2 City of Ely Council initially intended to use the building for office accommodation to support their operating needs. It was also anticipated that there would be community use within the building. Shortly after completing the lease, City of Ely Council acquired Sessions House and took the decision to use that building to accommodate their operating needs.
- 3.2.3 Over the years City of Ely Council has taken steps to find an end user for the building. These efforts have been considered by the Council, through various committees, on numerous occasions.

- 3.2.4 Over time the condition of the building has deteriorated, and the Council has taken reasonable steps to work with City of Ely Council to prevent further deterioration of the asset. This matter was considered by the Council's Finance & Assets committee in July 2020.
- 3.2.5 In August 2020 City of Ely Council requested the Council to consider selling the Maltings Cottage to them. At the time discussions on freehold sale were not progressed as there were several outstanding matters that needed to be discussed.
- 3.2.6 In the proceeding years the Council has been working with City of Ely Council to resolve matters relating to the condition of the building. The Council has undertaken extensive monitoring of the building and has discussed this, at length, with City of Ely Council.
- 3.2.7 Both parties are satisfied with the outcome of investigations and are now able to consider the acceptable use of the building. City of Ely Council are aware that the District Council is not responsible for the refurbishment costs.
- 3.2.8 City of Ely Council has formally requested consent for the building to be used as a bed & breakfast on the first floor and a community use on the ground floor. This use was considered acceptable (subject to further committee approval) by the Council's Asset Development Committee in March 2019. City of Ely Council has once again asked the Council to consider transferring the freehold for a nominal sum or extending the current lease period so the lease would have 25 years remaining.

### **3.3. Oliver Cromwell House**

- 3.3.1 In October 2017 Council, following a request from City of Ely Council, approved the transfer of tourism, town centre and events function to City of Ely Council. This approval included a 10-year, full repairing, lease at a peppercorn rent with a mutual option to extend the lease.
- 3.3.2 In August 2024 City of Ely Council identified works that needed to be undertaken at Oliver Cromwell House. At this point in time there were 4 years remaining on the existing lease and later requested an extension of the lease to be granted. This would then enable them to make an investment decision on the works that need to be undertaken.
- 3.3.3 In November 2024 City of Ely Council followed up their request and asked the Council to consider whether it would be acceptable to the Council to consider gifting the building to City of Ely Council and if this was not acceptable to formally consider the previously requested extension, likely to be for 25 years.
- 3.3.4 Members should note the Council cannot extend the lease or dispose of the freehold title of the asset before first offering it to the Diocese of Ely, this is known as a pre-emption right. Therefore, any decision taken will be subject to this pre-emption right. Consent was previously sought from the Diocese of Ely to lease the building to City of Ely Council for 10 years.

### **3.4. The Maltings**

- 3.4.1 In November 2013 the Council's Community & Environment Committee approved the transfer of various services from the Council to City of Ely Council. The Maltings formed part of this approval and a long term, full repairing, lease was granted for a peppercorn rent, to City of Ely Council.
- 3.4.2 Since this time City of Ely Council has been successful in securing an end user for the property.
- 3.4.3 During discussions relating to Maltings Cottage and Oliver Cromwell House, City of Ely Council requested that the Council consider whether it would be prepared to consider a freehold sale of the building to City of Ely Council for a nominal sum.

### **4.0 Arguments/Conclusions**

- 4.1. On 21 February 2025 a meeting was held between the Council and City of Ely Council to discuss how to progress matters relating to Maltings Cottage and Oliver Cromwell House. During discussions, City of Ely Council requested the Council to consider the freehold sale of The Maltings. Both parties were aware that any proposal would be subject to the formal consideration of their respective committees.
- 4.2. It should be noted that the proposal set out below is subject to the formal approval of City of Ely Council and it is understood that the matter is being formally considered by City of Ely Council shortly.
- 4.3. This proposal has been constructed based on the numerous requests from City Ely Council and against the backdrop of Local Government Reorganisation. Members will be aware of the direction of travel from government and the move toward Unitary Council's. This proposal ensures that the assets continue to honour the original intentions, i.e. that they are available for the benefit of the people of Ely.
- 4.4. All of the assets referenced in this report are under the prescribed control (through leases) of City of Ely Council. The Maltings and Oliver Cromwell House are leased on a peppercorn rent (£1 per property, per annum). Maltings Cottage earns the Council a modest rental income of £5,750 per annum.
- 4.5. Members will appreciate that discussions on some matters have spanned multiple years and it is now time for the Council to make a formal decision, which in turn will enable City of Ely Council to take decisions on future investment.
- 4.6. The proposal outlined in 4.7.1-4.7.8 below accommodates an 'either/or' scenario and is designed to prevent further delay to a final decision being made.
- 4.7. Members are recommended to:
  - 4.7.1. Approve the freehold sale of Maltings Cottage, Ely, to City of Ely Council for £1 (subject to a restriction preventing the use or sale of the building for residential purposes),
  - 4.7.2. Approve the freehold sale of The Maltings, Ely, to City of Ely Council for £1 (subject to a restriction preventing the use or sale of the building for residential purposes),

- 4.7.3. Approve the freehold sale of Oliver Cromwell House, Ely, to City of Ely Council for £1 (subject to the consent of the Diocese of Ely and the agreement of the restrictions contained with the original deed of sale between the Council and the Diocese of Ely dated 7 June 1988),
- 4.7.4. In the event that City of Ely Council decide that it does not wish to acquire the freehold of the assets members are requested to:
- 4.7.5. Approve the extension of the lease at Maltings Cottage so that the lease has 25 years remaining at the time of completion of the extension on the same terms agreed in the 2013 lease,
- 4.7.6. Approve the request from City of Ely Council to use Maltings Cottage for the purpose of first floor bed and breakfast and ground floor community use,
- 4.7.7. Approve the extension of the lease at Oliver Cromwell House so that the lease has 25 years remaining at the time of completion of the extension, on the same terms agreed in the 2018 lease, and
- 4.7.8. Agree that each party will be responsible for their own legal fees in this matter.

## 5.0 Additional Implications Assessment

<b>Financial Implications</b>	<b>Legal Implications</b>	<b>Human Resources (HR) Implications</b>
<b>Yes</b>	<b>Yes</b>	<b>No</b>
<b>Equality Impact Assessment (EIA)</b>	<b>Carbon Impact Assessment (CIA)</b>	<b>Data Protection Impact Assessment (DPIA)</b>
<b>Not required</b>	<b>Not required</b>	<b>Not required</b>

### (a) Financial implications

- 5.1. As identified in 4.4, if Members were to approve the proposal relating to the disposal of the freehold for Maltings Cottage then there will be a loss of £5,750 per annum. This will not have an overly detrimental impact on the Council's Medium Term Financial Strategy.

### (b) Legal implications

- 5.2. If members approve the recommendations in this report, there will be a need to complete either land sale agreements or leases (as appropriate). Further, in order to consider either freehold transfer of Oliver Cromwell House, the Council will need to formally write to Diocese of Ely in relation to their pre-emption rights.

## 6.0 Appendices

Appendix 1- Site Plans

## 7.0 Background documents

20 November 2013- Community & Environment Committee (Agenda Item 16)- EXEMPT  
 5 October 2017- Council (Agenda Item 15)  
 25 March 2019- Asset Development Committee (Agenda Item 10)- EXEMPT

23 July 2020- Finance & Assets Committee (Agenda Item 19)- EXEMPT  
4 March 2021- Finance & Assets Committee (Agenda Item 16)- EXEMPT