

Extract from Minutes of Executive meeting held on 17 March 2023

The full Minutes of the meeting can be viewed at: [Printed minutes Tuesday 17-Mar-2026 11.00 Executive.pdf](#)

863 Property acquisition to support the Council's asset rationalisation programme

Considered a report of the Corporate Director Resources which sought approval for the acquisition of Resolution House, Scarborough, as part of wider plans to rationalise and optimise the Council's property portfolio.

The Executive Member for Finance and Resources, Councillor Gareth Dadd introduced the report emphasising that estate rationalisation had been a long-standing priority and that Resolution House represented a rare, time-sensitive opportunity at a cost substantially lower than recent public speculation. He explained that while commercial confidentiality limited disclosure, the business case was robust and avoided the far higher refurbishment costs of the existing buildings of Scarborough Town Hall and Ryedale House which were neither feasible nor justifiable. He emphasised the regeneration benefits and the need to act swiftly.

Five public questions were then presented to the Executive as follows:

Councillor Thomas Murray

Since the future of Scarborough Town Hall is again being considered, I would like to ask a question.

The Executive report before you again confirms that Scarborough Town Hall is a Grade II listed building and an important heritage asset located within the conservation area, while also stating that the proposed acquisition of Resolution House and wider estate rationalisation may have implications for the future utilisation of the Town Hall site, including the possibility of it becoming vacant.

Despite the scale and significance of these proposals, Scarborough Town Council has not been meaningfully engaged in these discussions. In fact, we first learned of the proposals through social media and a press release, rather than through direct engagement. This is particularly concerning given that Scarborough Town Council leases space within the Town Hall and uses the Council Chamber and Mayor's Parlour for council meetings and civic functions, and represents around 28,000 residents.

Given that thirteen years ago the previous council undertook extensive consultation because decisions about the Town Hall were recognised as having major democratic, heritage and economic implications, and that the proposals at the time were ultimately shelved following that consultation, and given that town and parish councils were promised a collaborative relationship under the new unitary arrangements,

What concrete changes will North Yorkshire Council now put in place to ensure it can properly communicate and work collaboratively with its town and parish councils across the county? Simply saying there are around 400 councils and that meaningful engagement is therefore difficult is not good enough.

Councillor Sarah Mason

North Yorkshire Council has recently announced its intention to purchase a building on the outskirts of Scarborough for £4.5 million. Once realistic additional costs are included, such as relocation, legal fees, IT infrastructure, accessibility works, and full internal fit out, the

total cost of this move is likely to rise to approximately £6.5–7.5 million based on standard public sector capital benchmarks.

Alongside this, NYC has provisionally allocated £750,000 to relocate the Customer First desk away from its current location next to Scarborough's historic Grade II listed Town Hall, the civic heart of the town and a building the Charter Trustees were specifically established to protect following the enforced abolition of Scarborough Borough Council without any democratic vote. As this £750,000 is only a provisional figure, further costs for design, fit out, IT, staffing, accessibility, and operational changes are inevitable. NYC has also committed £9.4 million to the Harrogate Convention Centre for a project that only might generate £1.7 million annually.

Taken together, these three projects represent a combined expenditure of approximately £16.65–17.65 million, a figure that either matches or exceeds the council's declared £17 million budget shortfall for 2026/27.

At the same time, essential frontline services continue to deteriorate. A simple 0.8 km walk along Barrowcliffe Road revealed 18 severely blocked drains, highlighting the scale of basic maintenance issues that directly affect residents' daily lives.

Given that the combined cost of the out of town office move, the Customer First relocation, and the Harrogate Convention Centre investment amounts to approximately £16.65–17.65 million — a sum equal to or greater than NYC's declared £17 million shortfall — can the council explain how it justifies committing this level of spending on non-essential capital projects while simultaneously raising Council Tax to the maximum level and failing to deliver core services for residents?

Councillor Stacy Bolton (read by Councillor Thomas Murray)

Why is North Yorkshire Council unable to submit an expression of interest to purchase Resolution House and then undertake a full public consultation before any final decision is taken on whether the council should proceed with the acquisition?

David Bowes (read by Councillor William Stuart)

My Great Great Grandfather was Henry Bowes, sergeant-at-mace to the Scarborough Corporation & Mayoral Officer between 1901 and 1930. His address was Scarborough Town Hall. You can buy his photograph in ceremonial Gown, carrying the silver Mace for £15 from NYC. The Town Hall was the centre of civic life in the town a hundred years ago.

Town Halls are the focal point for democracy. The centre for the administration of local government, the holding of court sessions, public meetings, entertainment, registration of births deaths and Marriages. In our case, the very history of Scarborough from the Victorian period to today, including my Great Great Grandfather, is that building. The building belongs to the town. It is the town. It who we are. I've travelled extensively. I visit family on the Polish/Czech border in a city called Wałbrzych. A city of similar size to Scarborough. Yet an area more synonymous with Durham, being an ex-coal mining area with all the socio-economic associated challenges. Regardless, its civic buildings and administrative centre are immaculate, invested in, alive. The importance of these buildings is never questioned. Any redundancy, or downgrading, away from their primary function, unthinkable. Democracy and civic administration should be the heart of the city, not shifted to the periphery. This is my experience of Espoo, Finland, where I spent a considerable part of my Career, and cities in Denmark and Sweden. All areas where democracy, civic administration, and the buildings through which this is delivered, deliberately at the centre of the towns and city's. Nations where the relationship between people and local

democracy is not adversarial, collegiate, open, consultative. The benefit is obvious, civic buy in. The people are close to where decisions are made, the pride they feel for their local democracy woven into the architecture. The adjacent square, of which we also have in Scarborough, a place to meet, where children play. The local shops, bars, cafes benefit. The economy gets a boost! Tourists smile and wonder at the frontage. Town/Civic halls are fulcrum of any comparable town in most of Europe. Yet, in Scarborough we've witnessed generational decline of our town Hall. Entropy. Its primary function lessened, its potential unrealised, its end, now a possibility. A sword of Damocles hangs over it inscribed with £19m. An unnecessary sword. An unsubstantiated figure in my opinion. My question is simple.

Is managed decline our only democratic choice?

Councillor William Stuart

At the North Yorkshire Council Business and Regeneration meeting on 26 February, the Council's Principal Regeneration Officer delivered a presentation entitled "A Great Plan for Every Place." In that presentation, officers highlighted the well-known challenges facing towns such as Scarborough in making effective use of existing assets: low asset values, high redevelopment costs and weak returns on investment, all of which can lead to under-utilisation of buildings and a gradual decline in town-centre vitality.

Against that background, the Executive is now being asked to approve the purchase of Resolution House for £4.5 million while potentially vacating and disposing of Scarborough's Grade II listed civic offices and adjoining buildings in the town centre. Such a move would remove a long-standing civic presence from the heart of the town and could reduce daily footfall, economic activity and civic identity in the town centre. It would also leave a complex listed civic building requiring a new use in a market that the council itself recognises can struggle to bring forward viable redevelopment.

At the same time, the National Planning Policy Framework emphasises the importance of protecting the vitality and viability of town centres and directing significant employment and activity to accessible town-centre locations wherever possible.

In light of the council's own regeneration principles and the objectives of the National Planning Policy Framework, how does the Executive justify spending £4.5 million to relocate council activity away from Scarborough's town centre while potentially leaving a major civic building vacant or under-utilised?

Reply

The following reply encompassing all five questions was then provided by the Corporate Director Resources:

In talking about the Town Hall it's important to recognise that there are four constituent buildings on the site:

1. The listed Town Hall building,
2. a 1950's/1960's extension,
3. York House (the old Brewery), and
4. the Customer Services building.

Changes since 2012

In 2012 this same decision was considered by Scarborough BC but was not progressed due to elected member and public feedback. However over the past 14 years local

government has seen significant change and the financial landscape and condition of the buildings on the Town Hall site are now far more challenging. Despite the decision not being progressed by Scarborough Borough Council, a plan was not put in place to invest in the Town Hall building, and with only minimal investment since that time, this Council has therefore inherited a considerable liability (estimated at £19m). The acquisition of Resolution House offers a far more cost-effective solution to our accommodation needs than continued investment in the Town Hall. A proposal to spend a sum to the magnitude of £19m for what is essentially staff accommodation would cause a similar set of public challenges around value for money.

We are also dealing with very real issues around the quality and suitability of the back-office accommodation at the Town Hall. The current standard of accommodation is not acceptable.

Occupation of the Town Hall

COVID19 and the increase in hybrid working, along with the poor building condition has had a significant impact on the occupation of the Town Hall.

In late 2025 the 1950s/60s block on the Town Hall site had to be vacated urgently due to statutory compliance issues. As a result, around 80% of the floorspace on the Town Hall now stands empty and of the 210 remaining desks utilisation is just 42% at its peak, mid-week (around 88 employees).

Following the closure of the 1950's/60's block several of the civic rooms in the Town Hall - including the civic parlour - have had to be temporarily repurposed as office space. This does not represent a good use of this historic, civic space, nor does it provide an appropriate working environment for our staff.

Economic Impact of Staff Moves and impact on Town Centre viability

As detailed above, far fewer staff use the building today, and the Town Hall site is now significantly under-utilised.

As part of our wider asset rationalisation programme, we recently closed and disposed of North Yorkshire House (NYH). 300 of our staff were based in NYH and were initially moved to the Town Hall, but were subsequently relocated to Castle House because of the accommodation issues.

The current proposal is that Customer services will remain in the town centre, at Castle House, alongside the existing back-office accommodation. With the closure of North Yorkshire House, Castle House now hosts more staff than before, increasing footfall into the town centre, and largely offsetting the proposed relocation of staff from the Town Hall to Resolution House.

Regeneration Opportunities

The Council has inherited a number of prominent, empty buildings within Scarborough Town Centre. We do not want the Town Hall to become another – so the report recommends a £750k investment to progress redevelopment proposals on these sites so that plans can be brought forward as quickly as possible.

The council fully recognises the importance of supporting the vitality and viability of Scarborough town centre.

Redevelopment of the sites, listed in the report, will promote uses that will diversify the town centre offer, protect heritage assets and enhance footfall.

To ensure that the right type of uses are attracted to the town centre, the council intends to engage and work with partners to set out development opportunities for the sites, ensuring that they will contribute positively to regeneration outcomes. Any future proposals for listed buildings will be subject to appropriate planning and heritage considerations, with the Council actively seeking uses that align with town centre policies, protect heritage value and support economic activity.

Heritage Considerations and Civic / Democratic Accessibility

We fully recognise the Town Hall as an important heritage asset and that its potential is not being realised. The site is significantly under-utilised, and it would require very substantial investment to bring the building back up to an appropriate standard. That level of investment simply wouldn't represent value for money for staff accommodation. Given this reality, it is only right that we explore alternative options for the future of the building.

Our aim is to ensure the Town Hall is properly protected, invested in, and revitalised so that it remains in meaningful use and is preserved for future generations. We are not proposing that it be left empty. It will remain occupied while future plans are developed. We have not yet determined the future arrangements for North Yorkshire Council's democratic meetings. However, it remains entirely possible that meetings could continue to be held in town centre venues such as the library, the Spa, museums, or local hotels. In the year to March 2026, the Town Hall has hosted 33 democratic meetings – 24 for Scarborough Town Council and 9 for NYC – averaging fewer than three meetings per month. The annual running cost of the building is £474k (excluding repairs). If the site were used solely for civic meetings, this would equate to £14k per meeting, with the effective cost rising significantly once maintenance liabilities are factored in.

It is also important to note that accessibility today often comes through digital means. Good remote access can make our meetings more inclusive and transparent. Achieving this is more challenging in older, listed buildings such as the Town Hall, where the infrastructure limits what we can deliver.

Engagement with the Town Council and other stakeholders

As the report details, our plans beyond the acquisition remain at an early, exploratory stage as the proposals have moved at pace.

Resolution House was placed on the market earlier this year with a guide price of £4.5 million including fixtures and fittings. However, the price that has been provisionally agreed with Anglo American is significantly lower than the guide price on the understanding that the Council progresses the acquisition swiftly, and aims to complete the transaction by the end of March 2026.

All evidence indicates that the provisional purchase price represents extremely good value. Resolution House provides high-quality, modern office accommodation. We therefore expect to move in on an "as is" basis without the need to incur significant costs beyond the acquisition price. Given the significant opportunities this acquisition provides—to address long-standing challenges and to deliver substantial financial benefits—we simply do not believe we can allow this opportunity to pass us by.

We will engage fully with staff, services, customers, elected members, stakeholders and partners as work beyond the acquisition progresses.

In response, Councillor Murray asked what proportion of the quoted annual maintenance cost and renovation cost for the Town Hall site pertained to the historic listed building. The reply was that this figure could be estimated but was currently not available. Councillor Stuart referenced the risk of another town centre building (the Town Hall) remaining underutilised.

The Chair then invited the following local NYC councillors to address the meeting: Councillors Liz Colling, Rich Maw, Janet Jefferson, Tom Seston and Keane Duncan. Concerns were raised that these proposals were rushed and the business case lacked sufficient detail. While recognising the need for urgent action on accommodation standards, members emphasised the importance of consultation, the preservation of civic heritage, and the maintenance of accessible local democracy. Transport links, customer journey arrangements, consultation with external partners who shared use of buildings, and the future use of vacated buildings were all raised. A specific proposal was made to consider establishing an additional customer access point at Resolution House to serve nearby communities such as Eastfield and Seamer. Officers agreed to explore this. Members also highlighted the need for careful sequencing of regeneration activity to avoid prolonged vacancy across multiple sites.

In response, it was confirmed that:

- The inherited Town Hall estate represented a substantial long-term liability, with essential works costed at around £19 million.
- Low utilisation levels — only 42% of available desks at peak — indicated that the estate no longer functioned as a suitable accommodation base.
- The 1950s–60s block was now entirely unusable and civic rooms were being repurposed as makeshift office space.
- Resolution House required only light adaptations, as fixtures and fittings would be retained.
- Customer services would remain in the town centre at Castle House.
- Any future proposals for the listed Town Hall would involve consultation, heritage assessment and a town-centre-focused regeneration strategy.

Members were also reminded that, because over 300 staff had recently been relocated into Castle House following the closure of North Yorkshire House, town-centre footfall had increased, offsetting the smaller number of staff who would move to Resolution House.

The Executive then discussed the report. They welcomed the proposals and the strength and clarity of the business case which would serve to address some of the long-standing challenges around the Council's estate in Scarborough and Malton, notably the poor condition of the Scarborough Town Hall site and Ryedale House. The importance of retaining a customer access point in both Scarborough and Malton town centres was emphasised. The employment and economic benefits to the Scarborough South area were also noted as was the proximity of Resolution House to Seamer train station. In respect of the future of the cherished historic Scarborough Town Hall building, the example of Skipton Town Hall was cited which now housed the Craven Museum and Gallery.

At the conclusion of the debate, Councillor Gareth Dadd proposed an amendment to the report's recommendation (i) that in principle approval be given to the acquisition with the final decision delegated to the Corporate Director Resources in consultation with the Executive Member for Finance and Resources.

Resolved (unanimously) that

- i) In-principle approval be given to acquire Resolution House, based on the Heads of Terms provided in Private & Confidential **Appendix A** with the final decision delegated to the Corporate Director Resources in consultation with the Executive Member for Finance and Resources.
- ii) In-principle approval be granted for investment of up to £750k to support the establishment of new front-facing customer service points in Scarborough and Malton town centres, and to fund costs associated with the advancement of redevelopment proposals for vacated sites. Release of this investment will be dependent on further detailed development and refinement of the proposals outlined within this report.
- iii) The decision on the release of the in-principle investment be delegated to the Corporate Director of Resources in consultation with the Executive Member for Finance and Resources.

Reasons

To support delivery of the Corporate Property Strategy ambitions, and the potential outcomes and financial benefits set out in section 4.6 of the report.