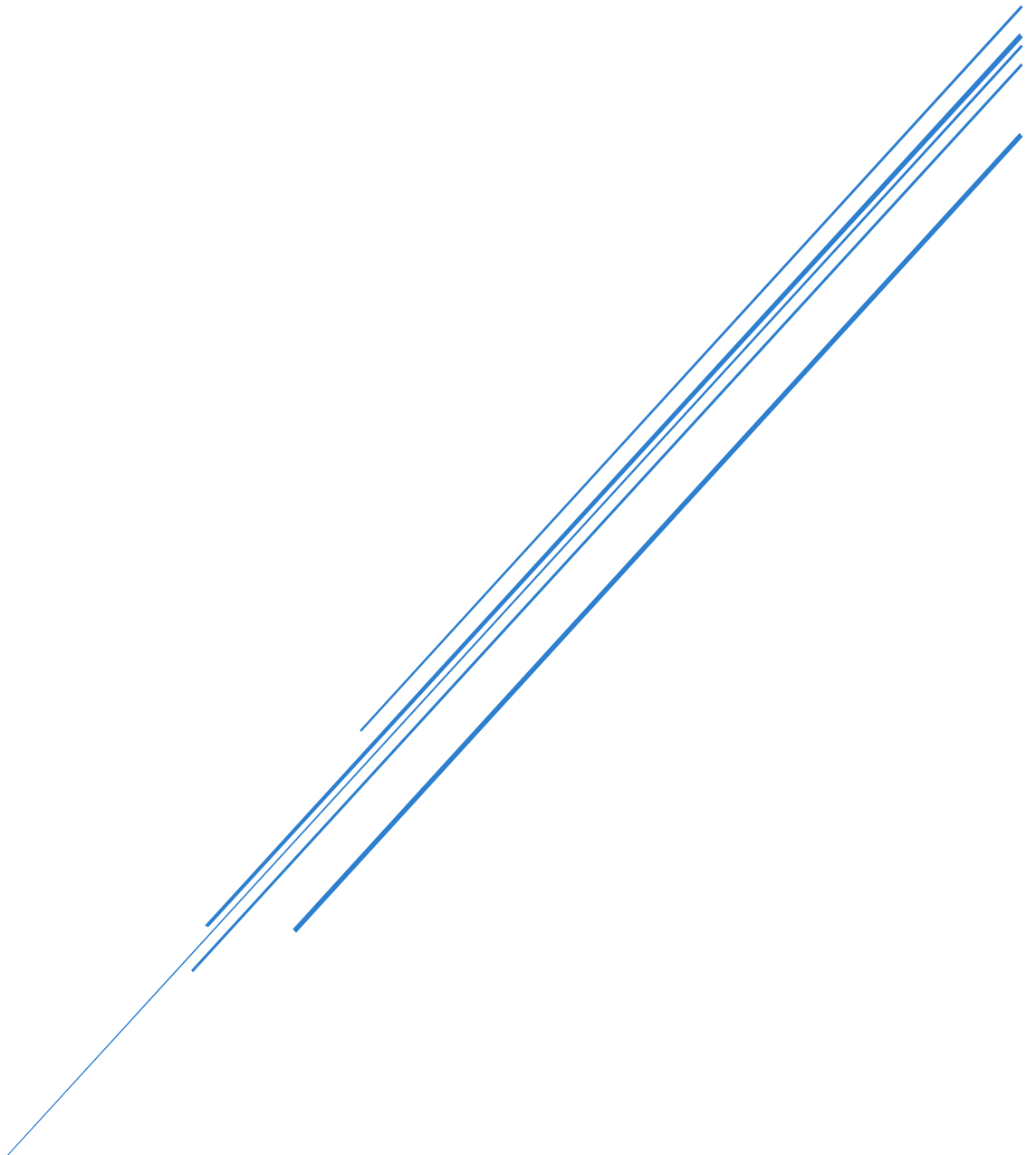


**REVIEW OF OPTIONS FOR THE SHIREHALL SITE,
SHREWSBURY, SHROPSHIRE**



Darenace ltd
June 2026

REVIEW OF OPTIONS FOR THE SHIREHALL SITE, SHREWSBURY, SHROPSHIRE

1. Executive Summary.

This report gives an overview of the history of development proposals for the Shirehall Site .It reexamines the viability of previously suggested options for the Shirehall site in the light of the Council's financial circumstances and concludes that none of the proposals previously examined including those considered by the task and finish group would meet the following requirements of : Maximise the capital receipt to be realised; Minimise the period to achieve the receipt; Eliminate (or at least minimise) any capital investment required from the Council; Minimise ongoing running costs pending the receipt.

In the light of the above the report recommends that the option that best fits these requirements is to market the property for sale in its existing condition, without planning. The Council will need a red book valuation of the site prior to marketing as a guide price.

2. About the Author.

The review has been undertaken by Chris Buss BA CPFA as a director of Darenace Ltd. Chris has extensive local government experience, over a range of services including regeneration, housing, finance, property acquisition and disposals, development, special investigations etc.; and more recent experience of working for LGA, Solace, CIPFA, particularly in providing oversight and advice to council's in financial difficulties. These recent activities have been exercised either through individual direct commissions, as part of an improvement panel or acting as an interim Section 151 officer.

3. Introduction.

This report re-examines Shropshire Council's options for the future use or disposal of the Shirehall site. This re-examines previous decisions made by the Council and subsequent work by a Task and Finish Group which reached separate recommendations, now referred by Council to Cabinet.

The re-examination is carried out in the light of the Council's significant ongoing budget deficits and calls on exceptional financial support that are likely to extend beyond 2026/27 and potentially further into the future. It is noted that at the time of some previous decisions, the seriousness of this situation may not have been known.

The Council's s151 officer commissioned this advice focusing on future process to decide the future of Shirehall in the light of those previous decisions and these more recent recommendations. This report is mindful that there is no single view within the Council on the way forward. My brief is attached at appendix 2.

The advice is provided in the context of previous decisions made by the Council, the recommendations of the Task and Finish Group, best consideration for the site, Value for Money and in the context of significant financial constraints and pressures being experienced by the Council and the need to find an early and economically most advantageous solution and risk limitation.

The advice is based upon documentation submitted by the Council and additional documentation requested by the reviewer. There has been no formal current valuation advice proffered by the Council and the advice is therefore based upon the reviewer's professional

judgement of the likely relative size, if any, of any receipt and the timing of any costs or receipts to the Council.

4. Methodology

This report has been drafted largely from a review of existing Council documentation since 2022; it has been objective in reviewing the decisions made based upon the facts at the time of the decision and the current financial circumstances faced by the Council which are exceptional. The conclusions and recommendations in this report are based upon those facts and are deemed to be both fair and lawful. No interviews were undertaken with officers or elected members as part of this review, but clarification of facts checked with s151 Officer.

5. Background.

The Council agreed on 24th January 2022 to declare the Shirehall building and associated environs surplus to requirements. This was with a view to commencing marketing of the site. With the Council's ongoing office requirements being met from a new sustainable modern building shared with partners, aligned with the Shropshire Plan to promote and ensure a healthy organisation for the future.

The Council underwrote the cost of obtaining planning permission for the site which was to be undertaken by Cornovii Developments Ltd (CDL) on behalf of Shropshire Council. It is noted that Cornovii will have been asked to carry out this work as a wholly owned and financed company of the Council with prime responsibility for housing development.

At that time of this decision, not only would the Shirehall building have had significant under capacity issues in the period following Covid19 but also there were other major maintenance issues to be addressed including roofing, the adequacy of fire protection issues and potentially other issues that may not be fully documented in public reports.

In December 2023, the Council considered a further report which had five options with regard to the Shirehall site these were in summary as follows :

- 1) Dispose 'as is' for best offer, whilst remaining in occupation until the MAH is available (sale and leaseback).
- 2) Council obtains full or outline planning permission for the proposed redevelopment of the site and markets the property for sale approximately six months prior to vacating the building.
- 3) Produce a development brief and appoint CDL as development manager to obtain planning permission and sell the site once the Council vacates.
- 4) Enter a joint venture with an independent third-party specialist development company.
- 5) Early sale to CDL at current market valuation.

The Council agreed to proceed on the basis of option 3. Amongst the reasons for the selection of this option, it set out a proposed structure which achieved the best use of the Council's resources whilst ensuring all Council objectives can be met. CDL were to be tasked with bringing forward an oven ready, flagship housing development that would best meet the needs

of the Council whilst retaining control and the flexibility required to react to any future delays or changes that may be incurred in relocating the civic offices. (Sic.). The report in itself did not provide any clear analysis of the full financial implications of moving forward on this basis, although the funding of such a solution should have been included in the management agreement or equivalent with CDL.

While it may have been helpful for the Council to have seen further details on other options and especially in the context of the council's emerging 'financial emergency', it is not entirely unusual, where a solution may seem to meet all the key needs of the Council priorities at the time, for a report to be written in such a style.

The Council subsequently decided to vacate the Shirehall building. This crucial decision was made at a meeting of full Council in September 2024. Subsequently, following a pause occurred in July 2025 to give the Cabinet the opportunity to review the process and preferred outcomes, a further report on site options was reported to Cabinet in December 2025. This reported and commented on 11 options – which are detailed in Appendix 1.

The December 2025 report was drafted after the Council declared a financial emergency in September 2025. At that stage, the Council had made the commitment to review moving forwards all cost-cutting options to reduce both revenue and capital burdens. It should be noted that this preceded further negotiations with MHCLG for Exceptional Financial Support (EFS) and would not have noted the conditions, formal and otherwise, for receiving this support.

However, reducing the revenue or capital burden was not a key benefit of the chosen scheme. The recommended way forward was “to pursue a mixed-use redevelopment, maximising public value and aligning with both local needs and national policy”. This was Option 11.

The key benefits of this option were described in the report as :

- Meeting Local Needs: Provision of a range of housing types, including affordable and specialist extra care units, supporting an ageing population and addressing housing shortages.
- Environmental Sustainability: Delivery to high environmental standards, minimising carbon impact and supporting the Council's net-zero commitments.
- Economic and Social Value: Creation of a vibrant, multi-generational community with integrated commercial space, supporting local businesses and employment
- Financial Prudence: Transformation of a costly liability into a valuable asset, with a flexible delivery model that maximises long-term value and resilience.

Financial prudence as described in the report is not the same as reducing the revenue (or capital) costs of the Council.

Following the December 2025 report, concerns were expressed by elected members about the lack of transparency over the options considered in the report. In particular, the lack of time available to consider the report. Subsequently, the Council nominated a multi-party task and finish (T and F) group.

The T and F group reported in February 2026 with 10 recommendations. These included the immediate pause on demolition, the start of work on a twin track approach, setting a realistic development timeline and fully evaluating Joint Venture and private sale approaches.

6. Council's Financial position.

Any future decision that the Council makes on the Shirehall site has to be made with regard to the Council's financial position. In particular it must have reference to the ongoing financial deficit on its general fund budget which has meant that, in order to remain viable for 2024/25 and to set a legally balanced budget for 2026/27, the Council has had to request EFS from MHCLG. Without this support, there is a strong probability that the Council's s151 officer would have been required under statute to issue a s114 notice, effectively representing a statement of non-viability of the Council's financial position as the Council's expenditure exceeded its revenue resources including reserves.

EFS is the preferred government route for dealing in the short term with Council's suffering financial stress and being under threat of being unable to balance an annual budget. However, EFS is not additional funding; it allows the Council to cover the required amount either through borrowing or through the sale of capital assets. Precedent suggest that the preferred view of government is to use capital receipts (asset sales) in preference to borrowing as it reduces the need for the Council to incur additional debt financing costs and the burden on HM Treasury

Where the Council chooses to borrow, the debt must be repaid over 20 years. Based on equalised debt repayment and current (mid-May) PwLB interest rates, each £1m of EFS adds around £115,400 annually to the Council's revenue budget until the borrowing is repaid. The Council's total EFS award for 2025/26 and 2026/27, as at Mid-May, costs the Council over £22m p.a. That additional annual cost will need in future to be met through either lower spending on services currently provided or through increased income (inc. Council Tax).

However, when EFS is funded through capital receipts (asset sales), there is no revenue cost to the Council for the portion funded in this way, provided the sale does not create any consequential costs. In the case of the Shirehall site, it is understood that this would not give rise to such consequential costs as plans are already set for vacancy of the entire building.

It is therefore clear that the Council's financial position should have a clearer and potential predominant position in determining the next steps on the Shirehall site than will have been the case previously. Where enhancing public service provision has tended to influence decisions over the potential cost either short term or long-term to the Council rather than the Council's immediate budget gap which for 2027/28 was recently (February) estimated at more than £130m.

As part of the confirmation of the Council's request for EFS, the Council will be required to prepare meaningful plans to reduce its overall expenditure to balance its budget by the end of the current three-year spending review period (2029-30) without recourse to EFS after that date. A plan that demonstrates the benefit of asset sales over and above borrowing (in addition to transformation plans, etc.). This will impact all of the Council's immediate decisions.

7. Options Appraisal.

The review has re appraised particularly the two options agreed as being possible in December 2025, as well as the Joint venture option suggested by the task and finish group. The review considered the likely impact both short and long term on revenue spending and capital receipts, the timescale for deliverability, any issues regarding procurement and the level of Council control over the proposed option. In particular, emphasis has been placed on whether the option has financial benefit and when that benefit arises. The three options were in summary. Demolish existing Shirehall building and deliver housing scheme, demolish existing

Shirehall building and deliver a mixed-use site featuring extra care facilities, mixed tenure residential and commercial space and creation of a Joint venture with a private sector partner to either renew or rebuild on Shirehall.

Demolish existing Shirehall building and deliver housing scheme.

The December 2025 reports stated that option 10 was a possible option and that was to demolish Shirehall and deliver a housing scheme. The summary states that “Demolishing the existing Shirehall building to deliver an affordable housing scheme aligns with national policy targets for building more homes and meets local needs for affordable housing. It mitigates affordability issues, addresses housing waiting lists, and provides better living standards for residents moving from substandard accommodation. Notably, this option has no listed disadvantages.”

Although the report is silent on the financing of such an option and the extent of the affordable housing offer. If the scheme was Council sponsored then the affordable housing scheme would be funded through the Housing Revenue Account (HRA), in that circumstance there will be no capital receipt to the General Fund as the site would be ‘appropriated’ from the General Fund to the HRA. This would mean that the General fund would receive a revenue benefit from having borrowing costs related to the sites existing use value being transferred to the HRA. This would produce a marginal benefit to the general fund and, once developed, a potential saving from reduced homelessness costs. It is unclear whether a development of this nature and size would be viable within the HRA, but it is unlikely to be so.

If development was through the HRA, it would be at least 15 months before work could commence, (it is assumed that demolition would be done post appropriation) , and new housing units would only start to come on stream a further 15-18 months later. Although meeting Council housing objectives, the option produces no capital receipt and minimal immediate revenue savings. There is also a transfer of risk within the Council from the General Fund to the HRA. As this option stands at present it is unlikely to reduce the Council’s budget gap until 2031 at the earliest and the level of risk to the HRA is such that it is not feasible to recommend this option.

If the site were to be developed through a registered social landlord (RSL) then the Council would receive a capital receipt from that RSL for the acquisition of the site. This would likely be a sum significantly below an open market sale, reflecting the level of rents that would be payable to the RSL. It is unknown whether any RSL would be interested in this site and such acquisitions tend to be protracted.

Whilst I can find no substantive evidence of a documented Council or Cabinet decision the most implied intention of the Council in 2022 was that the site would be passed to Cornovii for their development. The nature of this development was either a mixed scheme including a range of affordable offers and private sales or housing. In this scenario, land would have been purchased from the Council at an agreed market valuation to ensure that the Council achieved best consideration. This valuation would have considered other issues such as site clearance costs and demolition, although were Cornovii to have developed the site alone then all costs incurred by them would have been financed by the Council through General Fund borrowing.

Given current pressures on Council borrowing from the demands of EFS, it would be extremely unlikely for this approach to be viable.

In all three variants of this option there is either no capital receipt or a delayed reduced receipt or potentially increased costs at least in the short term and as such it is difficult to see how any variant of this scheme could proceed in the current circumstance.

Demolish existing Shirehall building and deliver a mixed-use site featuring extra care facilities, mixed tenure residential and commercial space

The preferred option in the December paper was the demolition of the existing Shirehall building to deliver a mixed tenure housing scheme, extra care facilities and some commercial property . The report stated that “This aligns with the broadest range of national policy targets for building more homes and meets local needs for retirement housing. It facilitates downsizing for existing residents, freeing up larger properties, and provides better living standards for those moving from substandard accommodation. Notably, this option has no listed disadvantages. Intermediate - Regeneration of the entire contiguous site area.”

The proposal as presented assumed that the development would be funded by the Council. At least in the short term this would increase the Council’s borrowing costs and leave the Council with ‘developer’s risk’, at a time when risk appetite should be very low and minimised due to the Council’s budget gap.

The report gave no estimate of costs either of development or otherwise stating “that the work to finalise a full business case for the mixed-use option, will seek to assess the level of capital receipt obtainable alongside the opportunity for long-term durable income balanced against the likely cost of investment and resultant borrowing required to deliver a scheme.” At the time no report has been published although it is appreciated that it would be a substantial piece of work.

The timescale for developing and building out a scheme of this type from the point of a decision to proceed is at least 4 years and there would be no financial benefit (if any) accruing until 2031 at the earliest. Although the scheme may meet national policy targets it is unaffordable financially in the short to medium term and increases the Council’s financial risk at a time when this should be being minimised. It is difficult to see how the Council can proceed with this scheme as it stands in its current financial predicament.

Task and Finish group - Joint Venture Option.

The multi-party task and finish group was established following the December 2025 report and in the words of the report to Council “*They have considered the options presented to Council in December 2025 in the Shirehall Strategic Review report, reviewed a range of relevant reports and information on the refurbishment and redevelopment of the Shirehall building, and sought evidence from national and local groups and individuals, as well as those with knowledge on different options to bring the building and site into use, such as Joint Ventures (JV).*”

The group made 10 recommendations to Council . These were as follows:

1. Immediate pause on demolition
2. Start work on a twin track approach
3. Undertake comprehensive engagement .
4. Define red lines [for the Shirehall building and site]
5. Define a co-ordinated Shropshire Council workplace and staffing strategy
6. Issues two market prospectuses.
7. Commission full economic and environmental assessments

8. Set a realistic development timeline
9. Fully evaluate Joint Venture and private sale approaches
10. Maintain momentum

A number of the recommendations above, are not directly pertinent to the brief for this report such as the workplace and staffing strategy. This section of the report deals with the suggested joint venture option, and other recommendations of the report are addressed elsewhere. The suggested Joint venture proposal is similar to Option 4 in the December 2023 report to council.

The multi-party group considered evidence from a third-party Joint venture provider. The Third-party provider suggested that a Joint venture could provide the following advantages to the Council:

- Release value from an existing asset by attracting private sector finance
- Enable rationalisation of the Council's landholdings to boost the balance sheet
- Support the Councils application for Extraordinary Financial Support
- Provide refurbished offices for Council use at modest cost

On closer examination it is difficult to see how some of asserted advantages could be achieved and in particular supporting the Council's application for EFS.

The submission made to the task and finish group asserted that they use of a JV would assist the Council's balance sheet as the costs of any refurbishment or developer would be borne by the developer.

However, unless the developer is philanthropic, these costs would be recoverable from any future user of the site together with a markup. This would mean that the future user assumed to be the Council would be likely to incur more significant increased costs on a day-to-day basis rather than a 'modest' cost as asserted.

To take an example, the business rates on the site would increase, as business rates is a direct function of assumed rent. A newly refurbished site would have higher rents and thus higher business rates. That is only one cost centre. Looking at costs such as those relating to funding the development, it is difficult to see how a JV option would reduce current running costs or produce in the short to medium term any meaningful capital receipt whilst incurring further costs of relocation where the Council to move back into Shirehall. Based on the move away from Shirehall, these relocation costs are likely to exceed £1.2 million and additionally the Council has no recognisable need for office space in a central location at this time, particularly when services such as Children's services are seeking to move to a localised support model.

To enter into a joint venture and specifically to select a partner, the Council would need to undertake a full procurement exercise. Assuming any interest, that would likely take between 12 and 18 months to complete. There would then be a minimum wait of at least 3 years and probably more before the Council would receive any financial benefit should there be one which is unlikely.

The Council would also need to take a view on what financial and other resources they are prepared and able to contribute any such venture – financial, both revenue and capital; human resources; technology; etc. In the current circumstances with financial pressures and capacity

which is having to be rebuilt, this contribution is again bound to be minimal for the foreseeable future.

Summary of existing proposals.

None of the existing proposals deliver a guaranteed return to the Council and potentially add to costs. All of the options are likely to have a 4 year plus delay in delivering any financial benefit to the Council, although they would or could produce social benefit; this would be at the expense of financial benefit. While the Council does not at present seem to explicitly have a 'policy' to maximise financial benefit from any assets available for disposal at the earliest opportunity, to reduce the need to find savings to fund the cost of EFS, the Council will wish to consider other options.

Alternative Option - Sale of Site.

The December 2025 report included option 2 which was to sell building and site in existing condition. The report stated that “ *Selling the building and site in their existing condition is relatively simple compared to a regeneration project and generates an immediate capital receipt for the Council. It allows some control over development through planning. However, it offers significantly less control over outcomes, the availability of buyers meeting site valuation is uncertain, and third-party buyer objectives may conflict with the Council's strategic aims.*” It was on the latter basis that the option was discounted.

The proposed option does have merit in the situation that the Council finds itself in whilst recognising the downsides which led to its original exclusion . It does have the benefit of acting at speed, it avoids demolition at this stage , it does not require a Procurement Act process , it provides an immediate , or near immediate receipt , and it does not tie the Council into any future use of the site , which it may not be able to afford. Although recognising the downsides of lack of control of future use of the site. In the light of these benefits, it is recommended that this option becomes the preferred option.

Two alternative options to the above would be to carry out as suggested the demolition of the existing site and then market the site or to market the site with planning . The benefit of either of these options is that the site would be partially derisked for any developer . In the case of demolition, it would eliminate the partial or full reuse of the existing structure and the costs of demolition which were estimated to be around £3 million in the Autumn of 2025 would need to be funded by the Council until deducted from the Capital receipt received. This would delay the process. In the case of sale with planning permission, the issue is what planning permission is sought ? and would that permission be in line with what the market would wish to deliver? If it is not then the Council would incur the costs of planning and potentially be going to the market with a scheme that the market has no interest in delivering .This option would work in normal circumstances where the Council could have been able to work with the market but in the current circumstances this has not been possible , and the Council would not have the resources in time or finance to do this now.

Although in both options the Council is foregoing potential future upside , in the light of the costs that the Council might incur which it cannot afford in getting the site either demolished or through planning , and the likely time delay , the sale of the site on an as is basis , without planning and minimal restrictions should remain the preferred option.

7. Conclusions.

I understand that Cabinet will be meeting on 14th July and will receive a single report on the future of the Shirehall site. Given the current status of the building, a clear and final decision is required in order to reduce current running costs and to ensure that the value of the site is maximised, not least in the context of the Council's financial position.

The Council would understandably and in normal circumstances would have wished and expected to play a prominent role in the redevelopment or reuse of the building on the Shirehall site and in particular wish include additional social or affordable housing as part of the scheme. However, the financial position in which the Council now finds itself means that the Council simply does not have the financial capacity to act or fund any development activity, avoiding the risk of placing additional costs onto a constrained budget position. Additionally, it must be aware that placing constraints over the future use of the site such as by requesting additional non market housing, restricting the use of the site or not passing on full and up to date details on the condition of the site and any land related issues will potentially reduce receipts.

Dating back to 2022, the earliest recent decision on Shirehall, there has been a lack of clarity and purpose in the Council's position which has moved over time rather than taking an agreed and evidenced way forward from the outset for what in any event is a complex site. This is not a criticism of the earlier decisions as they were based on the known facts, circumstances and policies at that time and circumstances have changed. Whatever that route may have been then, the decision is now predetermined by the financial emergency declared by the Council and the reliability placed on EFS.

Wishes and needs of members, officers and residents will necessarily need to be compromised against this financial backdrop. In the simplest terms, there is now a need for the Council to establish the main priorities from the site. In the broadest context, these are principally driven by financial concerns and may be summarised as :

- Maximise the capital receipt to be realised from the site;
- Minimise the period to achieve that receipt;
- Eliminate (or at least minimise) any capital investment required from the Council;
- Minimise ongoing running costs pending the receipt.

This effectively negates the practicality of a twin track approach as the Council would be allocating limited resources into an approach that it could not afford in any event.

The option to sell the site on an "as is" basis, will enable the Council to gain what it needs most at this time - which is an early Capital Receipt. It also has the benefit of freeing up scarce officer resources that would otherwise need to be engaged to ensure probity and pace of any alternative option. Any other option including funding demolition would create additional unaffordable risk on behalf of the Council and delay.

These resources are likely to be needed to find other sites that are disposal and would also offer early capital receipts and ongoing running costs of redundant buildings. It is understood that a disposal programme already exists and is under review and noted that the conclusions reached on Shirehall are likely to be equally relevant for those sites – namely early disposal with minimum constraints placed on future use.

Over and above this practical necessity, there is absolutely no question that the MHCLG will be seeking comfort that receipts available from any asset disposal are being actively pursued by

the Council with a view to reducing the need to borrow through EFS. The earliest likely date for a receipt is now early financial year 2027/28.

8. Next Steps

The Council, should they agree that the sale of the Shirehall site as being the only realistic option at this time, either on an as is basis, will need to commission urgently its own valuation on the approved red book basis. Red book basis is the industry standard method of preparing a valuation for a site or building.

It will need to prepare to market the site on as unfettered basis as possible and include within the supporting materials for marketing , the work undertaken to date by Cornovii (this will need to be suitably warranted) all other surveys & technical assessments and such other materials that will enable bidders to have maximum transparency on the limitations and opportunities available to them on this site. Due to the time likely to be taken to complete a fully submitted application, it is suggested that the work undertaken by Cornovii to date is not taken to full submission stage but made available to bidders.

Key decisions will be required on

- To agree in principle a straight sale to market
- To agree the precise boundary and exact area being considered and greater clarity to be provided to bidders on the use of any Council owned sites adjacent to Shirehall
- To agree to the site sale to be an 'as is' site disposal , with a clear timetable for the Council to vacate its residual uses of the site.
- To agree to the site sale to be without planning consent
- To agree any planning conditions to be applied (to be minimised and as far as possible eliminated)
- To agree timing and approach to going to market and resources required to oversee the sale (probably specialist and dedicated team)

The Council will wish to be crystal clear on any planning restraints on the site and exactly what the site boundary and other red lines are as, from document review, there is an element of uncertainty as to the exact area available for disposal. In the event of any recognised restraints, these should focus on priorities of increased capital receipt, pace, etc., as set out above.

This report has been prepared by Darenace Ltd for the exclusive use of Shropshire Council and is based substantially on a review of Council documentation from 2022 onwards. Darenace Ltd hold no responsibility or liability for the accuracy of the information provided by the Council.

Report Prepared by Darenace Ltd - June 2026

December 2025 Report - Development Options

Option 1 – Secure building in present condition and leave undeveloped.

Securing the building in its present condition and leaving it undeveloped has the advantage of low capital expenditure, allowing funds to be used elsewhere, and the land will accrue value over time. It also preserves elements considered historically significant, though their longevity is uncertain without regeneration. However, this option incurs substantial ongoing revenue costs for site security and maintenance costing in the region of £400,000 pa, forfeits short-term economic opportunities, may harm public perception of asset management, and risks attracting antisocial behaviour and localised crime.

View : Do Nothing - Council do not regenerate the site. Discounted.

Option 2 – Sell building and site in existing condition.

Selling the building and site in their existing condition is relatively simple compared to a regeneration project and generates an immediate capital receipt for the Council. It allows some control over development through planning. However, it offers significantly less control over outcomes, the availability of buyers meeting site valuation is uncertain, and third-party buyer objectives may conflict with the Council's strategic aims.

View : Do Nothing - Council do not regenerate the site. Discounted

Option 3 – Refurbish Shirehall building for use as a single occupant commercial space.

Refurbishing the Shirehall building for use as a single occupant commercial space retains embodied carbon and preserves elements of historical interest, potentially generating significant income for Shropshire Council. However, it involves high capital costs currently estimated to be £54.561m, restricted funding options, complex structural issues, and asbestos presence, making refurbishment challenging. Additionally, the building's size is unsuitable for local businesses, and attracting new tenants is difficult due to proximity to Birmingham, with risks from void periods being hard to mitigate.

View : Do Minimum - Regeneration of the building alone. Discounted

Option 4: Refurbish and reconfigure Shirehall building for use as multi occupant commercial office space.

Refurbishing and reconfiguring the Shirehall building for multi-occupant commercial office space retains embodied carbon and preserves historical elements, while minimising void risks by splitting the building into self-contained units. This could generate significant income for Shropshire Council if all the space could be let. However, the option involves high capital costs, substantial and restricted funding options, complex structural issues, asbestos presence, and ongoing building inefficiencies inherent within the design. Additionally, demand for the quantum of office space afforded by the building's size is highly uncertain. The size of the development likely means that it is unsuitable for local businesses, and attracting new tenants will be challenging due to Shrewsbury's relative proximity to a large regional population centre in Birmingham.

View :Do Minimum - Regeneration of the building alone. Discounted

Option 5: Refurbish and reconfigure Shirehall building for use as a multi-use leisure and retail venue.

Refurbishing and reconfiguring the Shirehall building for use as a multi-use leisure and retail venue retains embodied carbon and preserves historical elements. However, it involves high capital costs, restricted funding options, complex structural issues, asbestos presence, and ongoing building inefficiencies. Additionally, this option does not align with Council strategies, faces challenges in the current retail environment, and may adversely affect town centre retail footfall and activity.

View : Do Minimum - Regeneration of the building alone. Discounted

Option 6: Redevelop Shirehall building and convert to residential accommodation.

Redeveloping the Shirehall building into residential accommodation retains embodied carbon, preserves historical elements, aligns with national housing policies, and meets local needs for affordable and retirement homes. It would offer a large number of units in a single phase with ample parking. However, conversion of the building is challenging involves extremely high capital costs, restricted funding options, complex structural issues, asbestos presence, and design challenges, with fewer units than a new build could achieve. With capital costs exceeding option 4 which itself is considered cost prohibitive, this option is undeliverable.

View : Do Minimum - Regeneration of the building alone. Discounted

Option 7: Demolish existing Shirehall building and develop new single occupant commercial office space.

Demolishing the existing Shirehall building to develop a new single occupant commercial office space offers increased design flexibility, potentially creating an attractive Grade A office building and generating significant income if let. However, it involves high capital costs for demolition and rebuild, restricted funding options, and the building size is unsuitable for local businesses. Additionally, attracting new tenants is challenging due to proximity to Birmingham, with high embodied carbon costs and risks from void periods being difficult to mitigate.

View : Intermediate - Regeneration of the entire contiguous site area. Discounted

Option 8: Demolish existing Shirehall building and develop new multi occupant commercial office space.

Demolishing the existing Shirehall building to develop a new multi-occupant commercial office space offers increased design flexibility, potentially creating an attractive Grade A office building and minimizing void risks by splitting the building into self-contained units. This could generate significant income for Shropshire Council if most of the space is let. However, it involves high capital costs for demolition and rebuild, restricted funding options, and the building size is unsuitable for local businesses. Additionally, attracting new tenants is challenging due to proximity to Birmingham, with high embodied carbon costs

View :Intermediate - Regeneration of the entire contiguous site area. Discounted

Option 9: Demolish existing Shirehall building and develop new multi-use leisure and retail venue.

Demolishing the existing Shirehall building to develop a new multi-use leisure and retail venue offers increased design flexibility, potentially creating an attractive solution. However, it involves high capital costs, restricted funding options, and does not align with Council strategies. The current retail environment is challenging, the site's attractiveness is untested, and the building configuration may not suit various leisure businesses. Additionally, it accrues high embodied carbon costs and may adversely affect town centre retail footfall and activity.

View :Intermediate - Regeneration of the entire contiguous site area. Discounted

Option 10: Demolish existing Shirehall building and deliver housing scheme.

Demolishing the existing Shirehall building to deliver an affordable housing scheme aligns with national policy targets for building more homes and meets local needs for affordable housing. It mitigates affordability issues, addresses housing waiting lists, and provides better living standards for residents moving from substandard accommodation. Notably, this option has no listed disadvantages.

View :Intermediate - Regeneration of the entire contiguous site area. Possible

Option 11: Demolish existing Shirehall building and deliver a mixed-use site featuring extra care facilities, mixed tenure residential and commercial space

Demolishing the existing Shirehall building to deliver a mixed tenure housing scheme, extra care facilities and some commercial property align with the broadest range of national policy targets for building more homes and meets local needs for retirement housing. It facilitates downsizing for existing residents, freeing up larger properties, and provides better living standards for those moving from substandard accommodation.

View : Notably, this option has no listed disadvantages. Intermediate - Regeneration of the entire contiguous site area. Possible

The Future of Shirehall

Advisory Brief

Shropshire Council is commissioning an independent review of the decisions necessary to progress the future of the Shire Hall building and site.

This follows previous decisions made by the Council and subsequent work by a Task and Finish Group which reached separate recommendations, now referred by Council to Cabinet.

The Council now needs advice on future process to decide the future of Shire Hall in the light of those previous decisions and these more recent work of the Task and Finish Group, mindful that there is unlikely to any single view opinion on the way forward.

The advice will be provided in the context of previous decisions made by the Council, the work of the Task and Finish Group, best consideration for the site, Value for Money and in the context of significant financial constraints and pressures being experienced by the Council and the need to find an early and economically most advantageous solution and risk limitation.

The brief will be principally desktop based on the basis of evidence provided by the Council, including the Task and Finish Group. Alongside the evidence relating specifically to Shirehall decisions, the review will need to be set in the context of the overall financial circumstances within which the Council finds itself.