Committee	Cabinet
Date and Time	18th November 2026
	Part Exempt (appendices only)

Shirehall Marketing Proposals

PART EXEMPT BY VIRTUE OF THE PROVISIONS OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND PARAGRAPH 10.4 [3] OF THE COUNCIL'S ACCESS TO INFORMATION RULES

Cabinet Member:	Councillor Heather Kidd, Leader Councillor Roger Evans, Finance
Lead Director:	Duncan Whitfield, Section 151 Officer Kassandra Polyzoides, Service Director – Place Shaping
Service Area:	Finance and Place Shaping
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Electoral Divisions Affected	All Divisions
Key Decision?	Key Decision
Cabinet Forward Plan	Yes – 7th October 2026
Report considered by	N/A

1. Purpose of Report

1.1 This report updates Cabinet on progress since its decision of 14 July 2026 regarding the disposal of Shirehall and presents the draft disposal prospectus at Exempt Appendix A for approval.

1.2 In July, Cabinet agreed to progress urgently towards the marketing and disposal of Shirehall with minimum conditions attached; to prepare a marketing prospectus for Cabinet approval; to minimise the Council's continuing costs; and to seek the earliest and optimum return from the site.

1.3 Significant work has progressed since that decision. This includes the continued decommissioning of Shirehall, work towards vacant possession, preparation of property and technical due diligence, assembly of information to support the disposal process, and preparation of the draft prospectus now presented to Cabinet. The formal Cabinet report also identifies the disposal as currently forecast within the 2027/28 disposal pipeline.

1.4 The prospectus is intended to provide sufficient flexibility for the market to bring forward financially robust and deliverable proposals. It allows for residential-led and mixed-use proposals and provides scope for redevelopment, partial retention and refurbishment, rather than prescribing a single development solution.

1.5 The context within which the disposal is being progressed has also developed since July. The Government issued the Council with a Best Value Notice on 15 July 2026. CIPFA's subsequent External Assurance Review recommended a clear and short deadline for feasibility work relating to Shirehall and that the Council seek to sell the asset as soon as possible.

1.6 More recently, discussions with Homes England have provided an opportunity to establish whether Government support could materially improve the Council's position before the final route to market is determined. The proposed approach allows this opportunity to be explored within a defined timeframe, alongside completion of due diligence and continued preparation for disposal.

1.7 This engagement is being considered alongside, rather than in place of, the work required to prepare Shirehall for disposal. The intention is to maintain momentum while establishing whether Government support can materially improve the disposal outcome.

1.8 Cabinet is therefore asked to note the progress made since July, approve the disposal prospectus and agree the proposed approach to the next stage, including a defined period of engagement with Homes England and relevant Government partners alongside continued preparation for disposal.

2. Recommendations

2.1. Cabinet is recommended to

A. Note the progress made since the Cabinet decision of 14 July 2026 in preparing Shirehall for disposal.

B. Note the requirements arising from the Best Value Notice and CIPFA External Assurance Review, including the recommendation for a clear and short deadline for feasibility work relating to Shirehall and for the Council to seek to sell the asset as soon as possible.

C. Agree that officers continue discussions with Homes England and relevant Government partners during November and December 2026 to establish whether available support could materially improve the feasibility, marketability and delivery of Shirehall.

D. Agree that this engagement is progressed alongside completion of the work required to prepare Shirehall for disposal, including outstanding due diligence, decommissioning requirements and preparation for marketing.

3. Background

3.1 On 14 July 2026, Cabinet agreed to progress urgently towards the marketing and disposal of Shirehall, with minimum conditions attached and to prepare a marketing prospectus for Cabinet consideration in the autumn. The agreed approach was intended to reduce ongoing costs and risk while seeking the earliest and optimum return from the site.

3.2 The July decision identified a preference for housing, including private and affordable housing, while retaining sufficient flexibility to consider wider mixed-use proposals and secure the best overall outcome. The prospectus has been developed on that basis and does not prescribe a single development solution.

3.3 The context has developed since the July decision. The Best Value Notice was issued on 15 July 2026 and the subsequent CIPFA External Assurance Review has reinforced the requirement for a clear and timely approach to Shirehall. This provides an important context for the progress set out in this report and the proposed next steps.

4. Summary of Main Proposals

4.1 The prospectus presents Shirehall as a substantial brownfield redevelopment opportunity and is intentionally flexible as to the form of future development. It does not prescribe demolition or a single end use and allows the market to bring forward proposals involving redevelopment, refurbishment or partial retention, including residential-led and mixed-use proposals, subject to planning and the Council's statutory duties.

4.2 The prospectus will be supported by a data room containing relevant legal, property, planning and technical information to enable purchaser due diligence. This information is being assembled and reviewed as part of the Council's preparation for disposal.

4.3 The public report therefore sets out the key features of the disposal opportunity, together with the proposed strategy, process, controls and timetable. Detailed commercially sensitive information, including valuation context, cost assumptions, market advice and detailed evaluation principles, is reserved to Exempt Appendices A and B where disclosure at this stage could prejudice the Council's commercial position or its ability to secure best consideration.

Market conditions and value

4.4 Current professional advice is that the development land market is exceptionally difficult for complex urban brownfield sites requiring material enabling works. Market participants are increasingly cautious where demolition, abnormal costs, planning risk, build-cost uncertainty and lengthy delivery periods remain unresolved.

4.5 The site's current financial outcome is uncertain and may be materially affected by demolition, planning, vacant-possession, rating and abnormal-cost assumptions. The Council should therefore avoid creating an expectation of a particular capital receipt in the public report. Updated valuation and commercial advice should inform each material decision and the final marketing strategy.

4.6 The principal opportunity is not limited to the immediate receipt. Bringing the site back into productive use could support housing delivery, economic activity, regeneration, council-tax income and wider place benefits. Those benefits do not replace the statutory requirement to obtain best consideration, but may be relevant when assessing deliverable bids and any lawful wider public-value considerations.

Homes England engagement

4.7 Recent engagement with Homes England provides an opportunity to establish whether Government support could improve the deliverability and marketability of Shirehall. Areas being explored include access to specialist property and development expertise, support with planning and enabling strategy, access to an appropriate professional supply chain, and potential funding or assistance with abnormal costs such as demolition and site preparation.

4.8 No binding arrangement has been concluded and Homes England is not currently proposed as the purchaser of the site. The Council must therefore avoid an open-ended process or dependency that causes further delay. Officers will set out clearly the support being sought, the benefit required, governance, costs, procurement implications and the timetable within which an agreement must be capable of conclusion.

4.9 A twin-track approach is accordingly proposed. The Council will continue the Homes England discussions while retaining the prepared route to appoint a national property agent. By 31 December 2026 officers will determine which route is demonstrably more advantageous, taking account of pace, cost, market access, proposed funding or support, procurement, risk transfer, best consideration and the Council's financial recovery requirements.

4.10 If Homes England's involvement materially changes the strategy approved by Cabinet, introduces a substantive partnership or procurement arrangement, requires material Council expenditure, or otherwise falls outside existing delegations, a further report will be brought to Cabinet before the Council becomes committed.

Decommissioning and vacant possession

4.11 The main staff decant to the Guildhall has been completed and Shirehall is in a residual operational phase. Final activities relate principally to records and archive clearance, building services, information and communications technology, telecommunications equipment, utilities, security, residual contents and specialist items.

4.12 The external records-management and storage arrangement required to complete archive clearance has been progressed. Final contract negotiations have taken place with the appointed provider and the programme duration and the date by which archive access requirements will cease, is being finalised. Archive removal remains a critical dependency because building systems cannot be fully closed down while access and suitable environmental conditions remain necessary.

4.13 A consolidated decommissioning programme is being finalised through the current governance arrangements overseen by the Section 151 Officer. It will identify activities, dependencies, accountable officers, target dates, costs, decisions and escalation routes. The programme will report to the Section 151 Officer and material changes will be logged through the agreed change-control process.

4.14 Remaining works include, as applicable, final IT and data-centre clearance (following successful migration of the Council's data requirements to a 'cloud' based platform); isolation or termination of mechanical, electrical and utility services; management of rooftop telecommunications apparatus and power; solar-photovoltaic equipment; basement and general building clearance; retained or restricted-disposal contents; security; the memorial stone; the cast-iron frieze; and steps necessary to secure vacant possession.

4.15 The baseline approach should be proportionate: make the building safe, secure and capable of being managed at minimum reasonable cost, but do not undertake substantive or irreversible works beyond those necessary for effective decommissioning without evidence that the benefits exceed the cost and risk to the Council.

Further decommissioning considerations

4.16 The Council will continue to reduce the operational and holding costs associated with Shirehall as decommissioning progresses. The extent of any further physical works to the building will be informed by appropriate specialist property, planning, rating, valuation and legal advice, having regard to cost, marketability, future development potential and the Council's statutory and financial responsibilities.

4.17 Until that advice has been completed, irreversible works beyond those required for safety, security and effective decommissioning should not be undertaken where they could adversely affect the Council's ability to secure the optimum disposal outcome.

Cornovii Developments Ltd

4.18 Following Cabinet's decision on 9 September 2026 to approve the structured closure of Cornovii Developments Ltd (CDL), the Shirehall disposal is now being

progressed directly by the Council. Relevant surveys, planning work, technical reports and site information previously commissioned through CDL are being reviewed for use in the disposal process where appropriate.

Governance, assurance and programme

4.19 The appropriate governance is in place to provide corporate assurance, track material changes and escalate matters where required. This is overseen directly by the Section 151 Officer.

Period	Milestone	Evidence / decision
November 2026	Cabinet considers this report and the exempt prospectus.	Cabinet decision; approved prospectus; agreed delegations.
November–December 2026	Complete material due diligence; continue Homes England discussions; keep national-agent route ready; finalise decommissioning programme and specialist advice brief.	Due-diligence tracker; Homes England proposition; procurement readiness; approved programme.
By 31 December 2026	Determine whether to progress through an advantageous Homes England-supported route or appoint a national property agent.	Recorded delegated decision supported by Finance and Legal advice.
Early 2027	Complete remaining archive and decommissioning activities; complete data room; implement chosen route and progress to market as soon as reasonably practicable.	Vacant-possession plan; data-room index; agent/partner instruction; marketing launch plan.
Following market exercise	Evaluate bids against approved criteria and statutory duties; obtain further authority where required.	Evaluation report, valuation and legal advice; Cabinet or delegated decision as applicable.

5. Alternative Options

5.1 Proceed immediately to an unrestricted open-market disposal. This would demonstrate pace but risks exposing an incompletely prepared and operationally constrained site in a difficult

market, before the potential Homes England offer and key decommissioning decisions are understood. It could produce weak or highly conditional bids, price reductions following due diligence, or an outcome that fails to reflect the site's potential. This option is not recommended at this stage.

5.2 Retention or recommissioning of Shirehall is not proposed. This would be inconsistent with the direction agreed by Cabinet in July and would reintroduce significant operational and financial considerations.

6. Key Risks and Opportunities

Risk / opportunity	Mitigation / control	Link to strategic risk
Delay and continued holding costs if Homes England discussions remain open-ended.	31 December 2026 gateway; parallel agent-procurement readiness; monthly ATG monitoring; escalation of slippage.	Managing transformation programmes and significant projects; Achieving long-term financial sustainability; Impact of financing Exceptional Financial Support (EFS)
Weak market response, low or negative land value, or highly conditional bids.	Professional marketing; updated valuation; comprehensive data room; broad but controlled prospectus; realistic evaluation criteria.	Achieving long-term financial sustainability; Impact of financing Exceptional Financial Support (EFS); Assurance and value for money
Premature marketing before key abnormal costs and decommissioning constraints are understood.	Complete proportionate due diligence; disclose material site information; clarify Homes England support; experienced agent or supply chain.	Managing transformation programmes and significant projects; Achieving long-term financial sustainability; Assurance and value for money
Council assumes unaffordable demolition, planning or delivery risk.	Default position is transfer of risk to purchaser; no material enabling expenditure without an approved business case and funding.	Achieving long-term financial sustainability; Impact of financing Exceptional Financial Support (EFS); Assurance and value for money
Irreversible or premature decommissioning works adversely affect marketability, development potential or value.	Integrated property, planning, rating, valuation and legal advice before substantive works; options appraisal and decision	Managing transformation programmes and significant projects; Achieving long-term financial sustainability;

	through the agreed governance route.	Assurance and value for money
Continued rates, energy, security and maintenance costs.	Dated decommissioning programme; archive clearance; progressive shutdown of services; active cost monitoring.	Achieving long-term financial sustainability; Impact of financing Exceptional Financial Support (EFS); Assurance and value for money
Residual archives, telecoms, utilities or specialist contents delay vacant possession.	Critical-path programme with named owners, dependencies, dates and escalation; contractual and legal management.	Managing transformation programmes and significant projects; Workforce capacity and capability; Breakdown of critical contracts, providers or strategic partnerships
CDL records, warranties or consultant information are incomplete or cannot be relied upon.	Document-transfer audit; confirm ownership, reliance and warranties; commission gap-filling work only where proportionate.	Governance & Performance; Effective internal control framework; Assurance and value for money
Complex bids, partnerships or joint ventures trigger procurement, subsidy-control or governance issues.	Early Legal and Finance advice; distinguish land disposal from procurement; refer materially different structures for further approval.	Governance & Performance; Effective and transparent decision making and scrutiny arrangements; Effective internal control framework
Opportunity: Homes England support improves viability and reduces abnormal-cost burden.	Define the Council's ask; test funding and delivery support; document value; conclude within fixed timetable.	Managing transformation programmes and significant projects; Achieving long-term financial sustainability; Impact of financing Exceptional Financial Support (EFS)
Opportunity: flexible prospectus attracts a wider range of deliverable uses and structures.	Avoid unnecessary restrictions; evaluate deliverability, value, planning fit and public benefit through published criteria.	Managing transformation programmes and significant projects; Achieving long-term financial sustainability;

		Assurance and value for money

7. Council Priorities

7.1 The report supports the Council's financial sustainability and recovery objectives by progressing a surplus asset towards disposal, reducing the period of ongoing holding costs and seeking the earliest deliverable route to secure best consideration.

7.2 The proposals also support the Council's place-shaping, housing, regeneration and economic objectives by creating an opportunity for a prominent brownfield site to return to productive use. The prospectus permits credible proposals for housing-led, mixed-use, retained-building or alternative redevelopment solutions, subject to planning and deliverability.

8. Financial Implications

8.1 Shirehall remains a surplus asset with no identified future operational requirement. Continued ownership creates revenue costs including business rates, utilities, security, maintenance, insurance and statutory compliance. Current budget for 26/27 is circa £0.364m which has been proposed as a saving in 27/28 on the basis of marketing and a sale before 1 April 2027 and therefore no running costs in 27/28. The current forecasted position in 26/27 is a net cost of £1.010m and this is already being played through in the reported monitoring position. This is based on assumptions of revenue costs being required for the full financial year (not previously assumed at budget setting in last financial year.

8.2 Indicative disposal and marketing costs are currently estimated at up to £75,000 and will be treated as a cost of sale. Further costs associated with decommissioning, surveys and technical due diligence are currently being quantified.8.3 The July report established that an early disposal supports the Council's Financial Sustainability and Recovery Strategy and that sale proceeds should be prioritised to reduce reliance on Exceptional Financial Support. The present report maintains that direction while recognising that immediate marketing in an exceptionally difficult market, without adequate preparation, may not secure the optimum net outcome.

8.4 The recommended twin-track approach is designed to preserve pace while testing whether Homes England can reduce abnormal costs or provide expertise and funding that improves deliverability. Any Homes England proposal must be assessed on its full financial effect, including Council contributions, funding conditions, professional costs, timing, risk allocation, effect on receipt and any future obligations.

8.5 No authority is sought through this report for speculative Council-funded demolition, planning promotion or major enabling works. Material expenditure beyond approved budgets will require an identified funding source, Finance approval and any further member decision required by the Constitution.

8.6 The September CDL report recognised that early Shirehall planning work may have no future value and recorded an assumption of up to £886,000 within its options analysis. The amount, recoverability, value and accounting treatment remain subject

to Finance review through the structured closure of CDL and should not be treated as a settled Shirehall cost in this report.

9. Legal and HR Implications

9.1 The Council must exercise its property and decision-making powers in accordance with legislation, the Constitution, Financial Rules and Procurement Rules. Any disposal must secure best consideration reasonably obtainable unless a lawful exception or specific consent applies, supported by up-to-date professional valuation and legal advice.

9.2 Before marketing or disposal, officers must confirm title, boundaries, rights, covenants, access, utilities, occupational interests, telecoms apparatus, retained land, adjoining ownerships and any restrictions affecting development or vacant possession. The data room must distinguish verified information from material that cannot be warranted or relied upon.

9.3 A conventional land disposal, development agreement, services appointment, partnership or joint venture may engage different procurement, subsidy-control, governance and tax considerations. Legal advice must be obtained before selecting or committing to a structure, and any materially different route outside existing authority must return for approval.

9.4 The prospectus and commercially sensitive supporting information are proposed as exempt appendices under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 because they contain information relating to the financial or business affairs of the Council and prospective counterparties. The public interest in maintaining the exemption is considered to outweigh disclosure at this stage because premature publication could prejudice negotiations, competition and best consideration. Legal must confirm the exemption wording and public-interest test before publication.

9.5 The structured closure of CDL requires separate legal, tax, accounting and governance arrangements. The Council must confirm its rights to use and disclose consultant material transferred from CDL and whether assignments, licences, warranties or reliance letters are required.

9.6 No direct staffing change is proposed by this report. Any workforce implications arising from decommissioning, CDL closure, procurement or future delivery arrangements will be managed separately with HR advice and consultation where required.

10. Electoral Division Implications

10.1 Shirehall is located within the Abbey electoral division. Disposal and future redevelopment could have local implications relating to planning, access, traffic, neighbouring uses, heritage, the adjoining conservation area and retained Council land.

10.2 The relevant local member should be consulted in accordance with the Local Member Protocol. The Council must avoid any engagement that could fetter the Local Planning Authority or prejudge a future planning application.

10.3 The Council-wide financial implications of the disposal and the potential contribution to housing, regeneration and reduced reliance on Exceptional Financial Support are wider than the host division.

11. Health, Social (including "Child Friendly Shropshire") and Economic Implications

11.1 The immediate recommendations concern disposal preparation and do not determine the future use of the site. Future proposals could, subject to planning and viability, contribute to housing supply, affordable housing, supported living, healthcare, employment, sustainable access and wider regeneration.

11.2 The prospectus should invite bidders to explain the social, health and economic outcomes of their proposals, while keeping the process sufficiently open to secure deliverable competition and best consideration.

11.3 No specific direct impact on children or care leavers arises from approving the prospectus. Any future development proposal with material implications for children, young people or protected groups will be assessed through the planning and decision-making processes, including consultation and equality assessment where required.

11.4 Redevelopment would create temporary construction impacts and longer-term movement, service and infrastructure implications. These matters should be addressed through planning, transport assessment, construction management and statutory consultation rather than predetermined through this disposal report.

12. Equality and Diversity Implications

12.1 The recommendations do not select a purchaser, development partner or end use and do not directly change access to a Council service. No specific adverse equality impact has been identified at this decision stage.

12.2 The marketing and evaluation process must be fair, transparent and accessible. Future proposals should be assessed for equality implications where relevant, including accessible design, housing need, community impact and compliance with the Equality Act 2010 and the public sector equality duty.

12.3 [CONFIRMATION REQUIRED: recommended an Equality and Social Inclusion Impact Assessment is not required at this stage and should accompany the later preferred-bid/disposal decision.]

13. Climate Change, Biodiversity and Environmental Implications

13.1 Continued operation of a largely vacant, inefficient building creates avoidable energy use and carbon emissions. Progressive decommissioning, including shutdown of redundant cooling and building systems where safe, should reduce those impacts and associated costs.

13.2 Demolition, refurbishment and redevelopment each involve different embodied-carbon, operational-energy, waste, contamination and biodiversity consequences. The broad prospectus allows bidders to set out how their proposals address retention or reuse, demolition waste, energy performance, climate resilience, sustainable transport, biodiversity net gain and wider environmental effects.

13.3 The Council should not assume that demolition or retention is environmentally or financially preferable without evidence. The marketing and evaluation process should request proportionate environmental information while avoiding requirements that unnecessarily suppress competition or value.

13.4 Any development will require separate planning and environmental consideration, including relevant surveys, contamination and drainage work, biodiversity requirements and assessment of transport impacts.

14. Background Papers

1. The Future of Shirehall – Cabinet, 14 July 2026.
2. Cornovii Developments Ltd – Cabinet, 9 September 2026.
3. Draft Shirehall Disposal Prospectus, prepared October 2026.
4. Financial Sustainability and Recovery Strategy, July 2026.

15. Appendices

1. Appendix A EXEMPT – Draft Shirehall Disposal Prospectus. Contains the detailed property opportunity, proposed commercial presentation and information intended for future market use.

2. Appendix B EXEMPT – Commercial, Valuation and Market Advice. To include the latest Red Book valuation context, market commentary, value sensitivities, demolition/enabling assumptions and any advice which could prejudice best consideration if published.