Treasury and Capital Management Group
28th July 2026

Report by:
Matthew Raby

Lead Cllr:
Cllr Jo Harvey
Executive Councillor for Finance & Resources

Wards	Open / Exempt	Key Decision?
All	Open	No

Stonehill – Feasibility Study

Executive Summary:
This report provides the Treasury and Capital Management Group with information regarding the proposed feasibility study due to take place at 2 Stonehill, Huntingdon.
2 Stonehill has been vacant now for 3 years, during this time the property has been broken in to on various occasions, the property has been vandalised in areas as well as stripping out copper pipe work and electrical cables requiring major works to take place in order to use the building once again.
The Council owns 2 plots of land at the rear of the property which are currently 'land locked', this feasibility study will include options to make these accessible for use.

Recommendations

1.1. The Committee note the report

	Key Corporate Plan Priorities
1	Priority 2 - Creating a better Huntingdonshire for future generations • Forward-thinking economic growth • Lowering carbon emissions
2	Priority 3 - Doing our core work well • Delivering good quality, high value-for-money services

Report Author(s)

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1. PURPOSE OF THE REPORT

1.1 This report is to provide an update for the planned feasibility study for the property 2 Stonehill, Huntingdon which is part of the Commercial Investment Strategy (CIS). The feasibility study will include 2 plots of land owned by the Council at the rear of 2 Stonehill which are currently land locked. The feasibility study will enable the Property department to make informed recommendations on the future of the property.

2. BACKGROUND & CONTEXT

2.1 The property 2 Stonehill, Huntingdon has been vacant for 3 years. During this period the property has been broken into on several occasion causing damage to the property. Before reinstating the property back to its original condition, a feasibility study is being commissioned to ensure that all options are considered regarding the future use and the prevention of further damage and resulting costs. Due to the Council owning 2 plots of land to the rear of the property these will also be considered as part of the feasibility to ensure the best future use can be identified. Following the feasibility study the Property Team will be able to make recommendations regarding its future.

3. OPTIONS CONSIDERED

3.1 The feasibility study will include the following options:

1. Reinstatement of property for lease.
2. Reinstatement of property with access created to access land locked plots of land (this would include partial demolition of current building).
3. Reinstatement of property with access created to access land locked plots of land (this would include partial demolition of current building) and proposals for building industrial units on land at the rear.
4. Valuations for the sale of both the property as is and including the 2 plots of land at the rear.

4. COMMENTS OF OVERVIEW & SCRUTINY

4.1 N/A

5. POST-DECISION IMPLEMENTATION

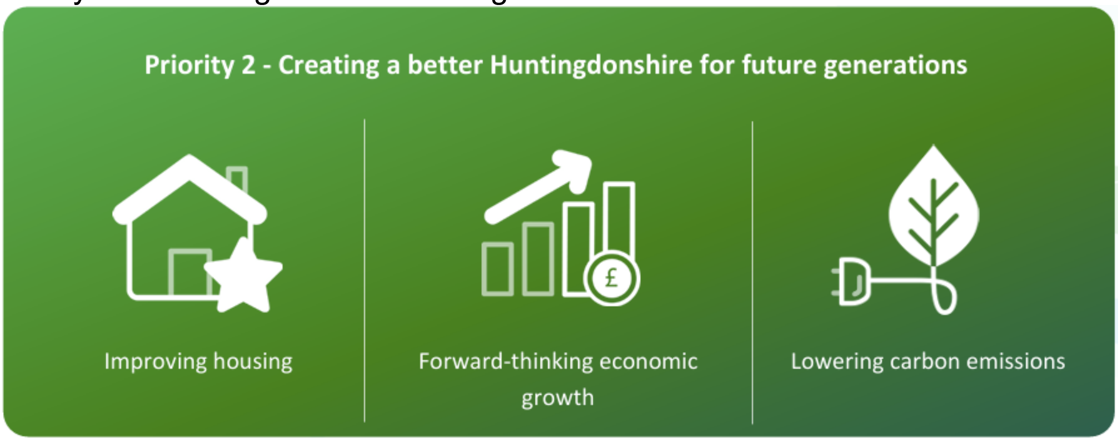
5.1 The feasibility study is estimated to take 3 months with the report being received in August 2026. Following receipt of the report it will be reviewed with the recommendations being submitted for approval to the Treasury and Capital Management Group.

6. IMPLICATIONS OF THE DECISION

6.1 Council Key Priorities and Performance

The property 2 Stonehill links to Priorities 2 and 3 of the Councils Corporate Plan.

Priority 2 – Creating a better Huntingdonshire for Future Generations.



With the recommissioning of Stonehill it will allow for economic growth within Huntingdon, this can be displayed with both the Stonehill Property itself and the 2 plots of land being developed.
Within the feasibility study the EPC target for the property will be a B as minimum. This will include de-gassing the site lowering carbon emissions.

Priority 3 – Doing our Core work well.

Following the feasibility at Stonehill it will allow the property to either be marketed providing a large competitively priced industrial unit/s with good control and compliance or sold for further development.

6.2 Financial Implications

6.2.1 Stonehill initially had £300K capital funding allocated for works following initial vandalism and feedback from local agents following initial viewings. Works that were previously discussed were to remove a large proportion of office space as this is out of proportion to what the need would normally be expected in the context of an industrial/warehouse unit. Works were also to include the installation of an additional roller shutter for access to one of the large warehouse spaces for ease of use, this would have included civils work to the front as ground levels vary. Due to the vandalism that has occurred the opportunity to complete a feasibility study covering the following options has been decided upon

1. Reinstatement of property for lease.
2. Reinstatement of property with access created to access land locked plots of land (this would include partial demolition of current building).

3. Reinstatement of property with access created to access land locked plots of land (this would include partial demolition of current building) and proposals for building industrial units on land at the rear.
4. Valuations for the sale of both the property and 2 plots of land at the rear.

The feasibility study is estimated at £20K to be funding from existing budgets and is due to be completed by August 2026. The findings of the feasibility report will enable advice to be provided to this Group meeting on the future options for the property and any associated funding and returns.

Following the delivery of the feasibility study costs will be presented for all the 4 options above including both expected expenditure and return on investment.

Note: Stonehill was being marketed at an estimated annual rent of approx. £230k. This would still be the expected rental income if option 1 was taken.

6.3 Policy Implications

6.3.1 N/A at present

6.4 Legal & Constitutional Implications

6.4.1 N/A at present

6.5 Community Impact

6.5.1 N/A at present

6.6 Environment & Climate Change Implications

6.6.1 The feasibility study will include Environment and Climate Change Implications by specifying that the EPC of Stonehill will be a minimum of a B to comply with the Minimum Energy Efficiency Standards that are required by 2030.

6.7 Equality & Diversity Implications

6.7.1 N/A

6.8 Implications on Resources

6.8.1 Following the feasibility study a full breakdown of implication of resources can be provided based on the recommendations submitted.

6.9 Health & Wellbeing Implications

6.9.1 N/A

6.10 Local Government Reorganisation (LGR) Implications

6.10.1 Following the delivery of the feasibility study further details will be provided on the longer-term options including return on investment if applicable.

7. RISK MANAGEMENT

7.1 Following the delivery of the feasibility study further details can be provided based on the recommendations put forward.

8. BACKGROUND PAPERS– LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

8.1 Previous Capital Budget bid from 2025/26 for £300k has been provided for background information.

Capital Budget Bid form for 2026/27 for £550k has been provided for information. This would be relevant if the refurbishment was recommended (Option 1).

Document List	Custodian	File Location
Capital Bid 2025/26 – Stonehill Refurbishment	Matthew Raby	Attached
Capital Bid 2026/27 – Stonehill Refurbishment	Matthew Raby	Attached