

30th June 2015

Policy, Finance & Resources Committee

Shenfield Scout Lease

Report of: *Adrian J Tidbury Estate & Valuation Surveyor*

Wards Affected: *Shenfield*

This report is: *Public*

1. Executive Summary

- 1.1 This report considers the provision of a new lease to the Shenfield Scouts for the Scout Headquarters in the Shenfield Road.

2. Recommendation(s)

- 2.1 That a new lease be granted in accordance with the terms set out in the draft lease (Appendix B – Exempt)**

3. Introduction and Background

- 3.1 The 1st Shenfield Scouts formed in 1909 currently occupy the Scout Headquarters built by the Scout group under a lease dated 1st January 1980 and also a small area of land to the rear of the property under a separate lease dated 1st January 1981. The Scouts have been in occupation of this site since 1951.
- 3.2 The lease to the main hall has now expired and the Scouts are being invoiced for £10 p.a. rent as mesne profits. The lease of the land to the rear of the property has also expired and the Scouts are being invoiced for £30 p.a.
- 3.3 A valuation on the property has been undertaken by the Council's agent and is contained in Appendix A.
- 3.4 Delegated authority was sought from the Head of Localism and Partnership in consultation with Chair/Vice Chair of the Asset, Infrastructure and Localism Panel and the Ward Members on the provision of a new 25 year lease at £100 p.a. in March 2013.

- 3.5 Since being advised of the Council's offer, the Scouts have secured funding to renew the roof to the hall and completed these works in August 2013.
- 3.6 During negotiations of the new lease the Scouts changed their view and requested a 35 year lease term in a letter dated 9th May 2013.
- 3.7 A lease has now been drafted although negotiations to prepare this draft have taken some considerable time with protracted negotiations.

4. Issue, Options and Analysis of Options

- 4.1 Since the commencement of the drafting of the lease, the Council has now developed its policy 'Disposals at Less than Best Consideration' which was adopted at the Asset and Enterprise Committee at its meeting on 27th March 2015.
- 4.2 The current proposal for a 35 year lease at rent of £100 per annum is not a disposal at best consideration and the Council has to have due regard to the provisions of sections 123(1) and (2) of the Local Government Act 1972, whereby the Council shall not dispose of land under this section, otherwise than by way of a short tenancy, for a consideration less than the best consideration that can be reasonably obtained (except with the consent of the Secretary of State).
- 4.3 Where rental proposals for less than best consideration are to be considered the reduced rental needs to match or exceed the community value provided by the organisation.

5. Reasons for Recommendation

- 5.1 That a new lease for the Scouts be put in place to provide continuity of accommodation under the provisions of that lease.

6. Consultation

- 6.1 No formal consultation has been undertaken regarding the proposed refurbishment

7. References to Corporate Plan

- 7.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood's taxpayers and enhance the Borough's infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.

7.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.

8. Implications

Financial Implications

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8.1 The rental income is at less than best consideration.

Legal Implications

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8.2 A short tenancy for the purposes of section 123 of the Local Government Act 1972 is a lease of seven years or less.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

9. Background Papers (include their location and identify whether any are exempt or protected by copyright)

9.1 None

10. Appendices to this report

- Appendix A - External Valuation (Exempt)
- Appendix B - Revised Heads or Terms (Exempt)

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