15 September 2015

Policy, Finance and Resources Committee

2 Harewood Road Pilgrims Hatch Brentwood

Report of: Russell Clinker, Senior Assets Manager

Wards Affected: Pilgrims Hatch

This report is: Public

1. Executive Summary

- 1.1. This report considers the cost of refurbishing the shop at 2 Harewood Road Pilgrims Hatch so that the property can be let.
- 1.2. The shop at 2 Harewood Road Pilgrims Hatch has been vacant for some time and works are required to make the shop safe to let. Initially the property was under offer to a party as seen although they pulled out whilst the matter was in solicitors' hands and offers have been invited from interested parties. Firm interest has now been received from a party but on the basis that the property is refurbished ready to receive their fitting out works.
- 1.3. Quotations have therefore been sought for these works. The quotations are split into the cost of the electrical works and the general refurbishment and removal of the previous tenants' redundant fitting out.

2. Recommendation

2.1 That the shop unit is refurbished to meet current electrical and health and safety standards to put the shop into a lettable condition ready to receive a prospective tenant's shop fitting.

3. Introduction and Background

- 3.1. The previous tenant was a lessee of the above shop for approximately 35 years and the dated state of the interior of the shop, in particular the electrics, mean that extensive works are required to bring the property up to a safe lettable standard.
- 3.2. The previous tenant signed a deed of surrender dated 24 March 2015.

3.3. It is recommended that the shop is properly refurbished by the council's contractors (rather than an ingoing tenant) to ensure that the job is done thoroughly to enable the letting the shop for the foreseeable future. This is on the basis that the shop is ready to receive the tenant's fitting out works.

4. Issue, Options and Analysis of Options

- 4.1. This is an income producing asset and the required refurbishment will ensure that the asset can continue to produce income albeit that the refurbishment costs will be offset against some rental income for a period of time.
- 4.2. We have sought quotations from the Council's term contractors Oakray (electrics) and Wates (refurbishment works) in order to speed up the process of getting the unit let and income producing.

5. Reasons for Recommendation

- 5.1. To ensure the shop is brought up to a lettable standard that complies with current health and safety regulations.
- 5.2. To preserve the council's investment and future rental income stream.

6. Consultation

6.1. No formal consultation has been undertaken or is required

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

Name & Title: Chris Leslie, Finance Director

Tel & Email: 01277 312542 / christopher.leslie@brentwood.gov.uk

8.1. The cost of the works and rental income lost during the renovation period will be recovered from the future rental income of the shop.

Legal Implications

Name & Title: Christopher Potter, Monitoring Officer and Head of Support

Services

Tel & Email 01277 312860 / christopher.potter@brentwood .gov.uk

8.2. None directly arising from this report.

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

8.1. None directly arising from this report.

9. Background Papers

None

10. Appendices to this report

Appendix A – Contractors Quotations - Exempt

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