

18 September 2018

Policy, Projects & Resources Committee

Allen Ford, The Drive, Warley – Lease Renewal

Report of: *Russell Clinker (Senior Asset Manager)*

Wards Affected: *Warley*

This report is: *Exempt Appendices under the Local Government Act 1972, namely information relating to any individual and information relating to the financial or business affairs of any particular person (including the Council).*

1. Executive Summary

- 1.1 This report considers the lease renewal of the Allen Ford garage in The Drive Brentwood following the service of a break Notice by The Council.

2. Recommendation(s)

- 2.1 **That a new lease be granted in accordance with the terms set out in Heads of Terms attached at Appendix A (exempt).**

3. Introduction and Background

- 3.1 A break Notice was served on Allen Ford effective as at 30 November 2017 to protect the Council's position regarding future use of the site.
- 3.2 Following the service of the break Notice negotiations have taken place for a relatively short term lease which gives the Council flexibility in the future rather than wait for the end of the original lease term.
- 3.3 The outline terms set out in Appendix A (exempt) have been provisionally agreed between the parties' surveyors
- 3.4 The Council appointed Adlers who are a firm of surveyors who specialise in garage and showroom sites to act on their behalf in negotiations with the tenant's agent.

4. Issue, Options and Analysis of Options

In view of the above, the recommendation is to instruct solicitors to prepare a new lease in accordance with the Heads of Terms attached in Appendix A (exempt)

5. Reasons for Recommendation

- 5.1 The Council wish to ensure the property continues to generate income.

6. Consultation

- 6.1 As stated above specialist agents Adlers were instructed to act on behalf of the Council in the lease renewal negotiations.

7. Implications

Financial Implications

Name & Title: Jacqueline Van Mellaerts, Interim Chief Finance Officer (S151)

Tel & Email: 01277 312829/jacqueline.vanmellaerts@brentwood.gov.uk

- 7.1 The rental income achieved, has been negotiated within the best interest of the Council. This will be included in the base budget of the Medium Term Financial Plan 2019/20.

Legal Implications

Name & Title: Daniel Toohey, Monitoring Officer and Head of Legal Services

Tel & Email: 01277 312860/daniel.toohey@brentwood.gov.uk

- 7.2 The Council has broad powers to grant leases and other interests in land. Under section 123 of the Local Government Act 1972 the Council is required to obtain the best consideration reasonably obtainable where a lease is over 7 years unless, in the case of a lease given at an undervalue, the particular disposal is covered by the Secretary of State's consent, or where the Local Government Act 1972: General Disposal Consent (England) 2003 applies. The terms set out in the heads of terms attached comply with these requirements.

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

None

8. Background Papers

- 8.1 See Appendices

9. Appendices to this report

Appendix A - Heads of Terms (Exempt)
Appendix B - Lease Plan

Report Author Contact Details:

Name: Russell Clinker (Senior Asset Manager)
Telephone: 01277 312931
E-mail: russell.clinker@brentwood.gov.uk