

**20 November 2018**

**Policy Projects and Resources Committee**

**14 Ongar Road Brentwood – New Letting**

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

*Wards Affected:* Brentwood North

*This report is:* Public

**1. Executive Summary**

- 1.1 This report considers the letting of 14 Ongar Road Brentwood following an offer received 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 14 Ongar Road has been vacant since the previous tenant Brentwood Mind (a mental health charity) moved into Brentwood Town Hall in July 2016.
- 3.2 We have received various interest in the property since that time but the offer from the Solicitors fits the Council's requirements in that they have a good quality covenant for this location with the funds to meet the proposed leasehold commitment. They will also put and keep the property in good repair.

From their perspective, they will be able to continue to provide their services to their customers in a similar location to their existing offices.

- 3.3 The agreed heads of terms (subject to Contract) are commercially sensitive however represent a good deal for the Council. See Heads of Terms attached in Appendix A (Exempt).

- 3.4 The agreed rent and associated terms in the Heads of Terms are in line with market rental levels.

#### **4. Issue, Options and Analysis of Options**

- 4.1 The recommendation is to let the subject property on the terms outlined in the attached Heads of Terms (Appendix A – Exempt)

#### **5. Reasons for Recommendation**

- 5.1 To ensure that Brentwood Council continue to benefit from the rental income on this property.
- 5.2 To ensure that the property is maintained and kept in repair

#### **6. Consultation**

- 6.1 Mass & Co Surveyors in Brentwood have been representing the Council in the letting of this property.

#### **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:** Jacqueline Vanmellaerts, Financial Services Manager

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- 8.1 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

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- 8.2 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 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.

- 8.2 None

## **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 – Heads of Terms (Exempt)

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