

**18<sup>th</sup> November 2014**

**Asset & Enterprise Committee**

**London Road & Woodman Road Cemetery Lodges,  
Brentwood**

*Report of:* John Parling, Strategic Asset Manager

*Wards Affected:* Brentwood West & Warley

*This report is:* Public

**1. Executive Summary**

- 1.1 These two Lodges, which are held within the General Fund, have recently become vacant and advice has been sought regarding letting them to the private rented sector.
- 1.2 We have been advised that rentals between £1,200 and £1,400 per month may be achievable in the market place.

**2. Recommendation(s)**

- 2.1 That when the two Lodges have been put into an acceptable condition the units are marketed and let at the best rental obtainable.**
- 2.2 That the units are let on business tenancies with the business tenant having the ability to let the units on Assured Shorthold Tenancies.**

**3. Introduction and Background**

- 3.1 London Road Cemetery Lodge has been vacant for several months and a partial refurbishment has been carried out. To put in a lettable condition the decorations have to be completed, carpets fitted and a cooker provided.
- 3.2 Woodman Road Cemetery Lodge became vacant in October and requires additional refurbishment works including replacement kitchen fixtures and bathroom suite as well as redecoration.

- 3.3 Both Lodges are 3 bed detached units just within the boundary of the Cemeteries. The tenants will require access to Lodges outside the Cemetery opening hours and a management arrangement will be included in any tenancy to protect and safeguard the Cemetery.

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

- 4.1 The Lodges were previously occupied by employees of the Borough on service tenancies. This arrangement has significant risks to the Borough including the risk of any tenant securing the right to buy an asset within an operational facility and also contravening the principles of Single Status Harmonisation of ensuring equality on remuneration and benefits to staff.
- 4.2 The sale of the Lodges is likely to be difficult to achieve because of their position within the boundary of the Cemeteries and therefore the opportunity to let them to private rental sector is the most appropriate course of action.
- 4.3 The estimated revenue and expense of letting option is outlined below:-

<b>Lodge</b>	<b>Cost of Refurbishment Works</b>	<b>Rental pa</b>	<b>Letting Fee</b>	<b>Management Cost</b>	<b>Net Revenue in First Year(excluding refurb costs)</b>
London Road	£5,000	Say, £14,000	£1,200	£1,400	£11,400
Woodman Road	£10,000	say, £12,000	£1,000	£1,200	£9,800

- 4.4 The cost of the refurbishment will be met from the expected under-spend of the existing Asset Management Repairs & Maintenance budget.

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

- 5.1 To generate a revenue stream for the Council and to ensure that its assets are put to best use.
- 5.1 To demonstrate that the Council is innovative and entrepreneurial in its management of its assets.

#### **6. Consultation**

- 6.1 None to date

## 7. References to Corporate Plan

The key criteria for the disposal of the freehold to the site are linked directly to the Corporate Plan 2013-16, specifically:

- a) A Prosperous Borough.
- b) Set planning policy that supports discerning economic growth and sustainable development.
- c) Promote a mixed economic base across the Borough, maximizing opportunities in the town centers for retail and a balanced night-time economy.

## 8. Implications

### Financial Implications

**Name & Title: Jo-Anne Ireland, Acting Chief Executive.**

**Tel & Email 01277 312712 / jo-anne.ireland@brentwood.gov.uk**

- 8.1 The initial costs of £15,000 can be met from within existing budgets. The real financial benefit of this proposal comes from the potential revenue income of £21,200 per annum.

## 9. Legal Implications None

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

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None

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

None

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

- 11.1 Asset Management Strategy

## Report Author Contact Details:

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