

27 March 2015

Asset & Enterprise Committee

14 Ongar Road, Brentwood – Lease Renewal

Report of: *John R Parling, Strategic Asset Manager*

Wards Affected: *Brentwood North*

This report is: *Public*

1. Executive Summary

- 1.1 This property is let to Brentwood & District Mental Health Association (MIND). The tenant was originally granted a 5 year lease from 16th August 2005 at £26,000pa. The tenant held over after this lease expired and the occupation was only regularised by way of a short term agreement in November 2014 until terms could be agreed for a new lease. Provisional agreement has been reached regarding a new lease and approval is sought from the Committee to conclude and record the terms.

2. Recommendation (s)

- 2.1 Members are asked approve the granting of a new lease to Brentwood & District Mental Health Association on the basis or terms as set out in Appendix A.**

3. Introduction and Background

- 3.1 The property is situated in a terrace of three small shop units comprising the subject property, Dental Surgery and Boutique. The subject property comprises ground floor retail unit with ancillary accommodation and 1st floor offices.
- 3.2 The property was originally let to Brentwood & District Mental Health Trust, on the basis of 5 year internal repairing lease from 16 August 2005 at £26,000pa. The tenant remained in the property on expiry and their

occupation was regularised in November 2014 when a short term lease was agreed until terms could be agreed for a longer arrangement.

3.3 Terms have now been agreed for a 5 year lease, details are set out in Appendix A.

3.4 The terms provide both the tenant and the Council with a relatively secure future and revenue stream.

4. Issue, Options and Analysis of Options

4.1 If the recommendation is not approved there is risk that the tenant may relocate to alternative property and the Council's revenue stream could be disrupted.

5. Reasons for Recommendation

5.1 To ensure that a revenue stream is maintained and to regularise the occupation of the tenant.

6. Consultation

6.1 None at this stage

7. References to Corporate Plan

7.1 The key links to the Corporate Plan 2013 –16, are 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, maximising opportunities in the town centres for retail and balanced night time economy

8. Implications

8.1 Financial Implications

Name & Title: Christopher Leslie, Financial Service Manager (S151 Officer)

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The new lease will provide an increase in revenue providing additional income to the General Fund.

8.2 Legal Implications

Name & Title: Philip Cunliffe-Jones, Solicitor

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The Council's disposal powers are contained in section 123 of the Local Government Act 1972, and section 1 of the Localism Act 2011 also provides local authorities with a general power of competence. Under section 123 of the Local Government Act 1972 the Council has the power to dispose of land in any manner that they wish. The main constraint is that the disposal (other than a short tenancy) must be for the best consideration reasonably obtainable unless there is ministerial consent or the transfer is to further local well being. A short tenancy is a term less than seven years. The recommendation is within these powers.

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

None

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

Appendix A – Terms of Lease (*Exempt*)

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