

Key Decision Required:	No	In the Forward Plan:	No
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CABINET

18 APRIL 2012

REPORT OF FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.3 HARWICH TOWN SAILING CLUB: RENEWAL OF LEASE

(Report prepared by Andy White)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider whether to grant a new seven year lease to Harwich Town Sailing Club and delegate the finalisation of terms to the Finance and Asset Management Portfolio Holder.

EXECUTIVE SUMMARY

The Club's existing lease has passed its contractual end date and the club have been holding over under its terms for some years. The Council has previously postponed the renewal of this lease in view of potential regeneration initiatives in the area. The Club have secured a Sport England grant to fund improvement of the facilities but need to show seven years' security of tenure in order to draw this down. The Club need to start the work earlier than June 2012 to meet the terms of the grant. It is therefore proposed that Cabinet approval to the grant of a new lease is given together with a delegation of the final terms to the Finance and Asset Management Portfolio Holder so that the lease can be initiated directly on completion of the negotiations. The Council has received some correspondence complaining of issues related to the area. These are being addressed separately.

RECOMMENDATION(S)

That :

- (a) Cabinet agrees in principle to the granting of a new seven year lease to the Harwich Town Sailing Club based on existing terms and market rent.**
- (b) Subject to (a) above, Cabinet delegates the final agreement of terms to the Finance and Asset Management Portfolio Holder.**
- (c) Subject to (a) and (b) above, Cabinet authorises the Head of Resource Management to enter into a lease to the Club on these terms and such other terms that she considers appropriate.**

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The success of the Club can contribute to a range of the Council's Corporate Plan objectives:

- Build a thriving local tourism industry.
- Promote sustainable economic growth.
- Ensure people have the knowledge and skills to secure good employment.
- Reduce health inequalities and disadvantage.
- Promote healthy and active lifestyles.

- Remain a low crime area and reduce the fear of crime.
- Regenerate the District and improve deprived areas.
- Protect and enhance our environment, countryside and coast.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The current rent is £1,850 whereas the rateable value of the property is £11,250. The latter is an indicator of value but is based on many assumptions, particularly that all of the buildings are included. This is not the case. The actual rent level is yet to be negotiated and it is likely that some increase in rent will take place but not to the level indicated by rateable value. The Club are currently benefitting from CAROS so the Current net payment is £150 each year and will continue at that level in the immediate future. CAROS is subject to separate review by the Community Leadership And Partnerships Committee but is funded until 2015/16.

Risk

The Council has previously deferred the renewal of this lease because of the potential for regeneration schemes in the area. It is likely that these schemes are undeliverable in the short term. So there is minimal risk in the granting of a lease for seven years.

LEGAL

The Club are holding over on a lease that has passed its contractual end date. It would be good practice to regularise this situation.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following: Crime and Disorder/Equality and Diversity/Health Inequalities/Consultation /Public Engagement.

Crime and Disorder

Provision of activities for young people by the club can be important positive and diversionary activities

Health Inequalities

Physical activity of the kind promoted by the Club is integral to a healthy, active, lifestyle.

Wards

Harwich East

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Harwich Town Sailing Club occupies the Club House site, Boat Compound site and Safety Boat building under a lease from the Council. The areas are shown edged in bold on the attached plan at Appendix A. The Club's existing lease passed its contractual end date on 25 December 2005. The lease is secure under the provisions of part II of the Landlord and Tenant Act 1954 and the club have been holding over under its terms for six years. The Council has previously deferred the renewal of this lease in view of potential regeneration initiatives in the area.

CURRENT POSITION

The Club have secured a Sport England grant to fund improvement of the facilities but

need to show seven years' security of tenure in order to draw this down. The Club need to start the work earlier than June 2012 to meet the terms of the grant. The Club have requested the urgent grant of a new seven year lease.

The previously identified regeneration plans face delivery challenges and it appears likely that the grant of a seven year lease will not prejudice any schemes.

The Council has received correspondence complaining of the use of the promenade by the Sailing Club and the current alteration works adjacent to the Lifeboat Museum. Neither of these matters fall within the terms of the lease and are being addressed separately. The lease does not include any rights over the promenade and officers have already reached agreement with the Club that the right of way over the road will be used instead. The nearby landscaping works are being undertaken independently of the Sailing Club. They are aimed at easing congestion and making the area safer and more attractive for the public.

PROPOSED ACTION

It is proposed to grant a new lease of seven years to the Club, based on existing terms and market rent.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

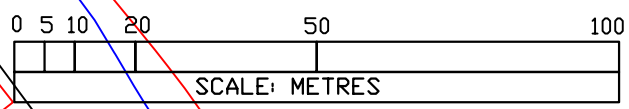
BACKGROUND PAPERS FOR THE DECISION

None.

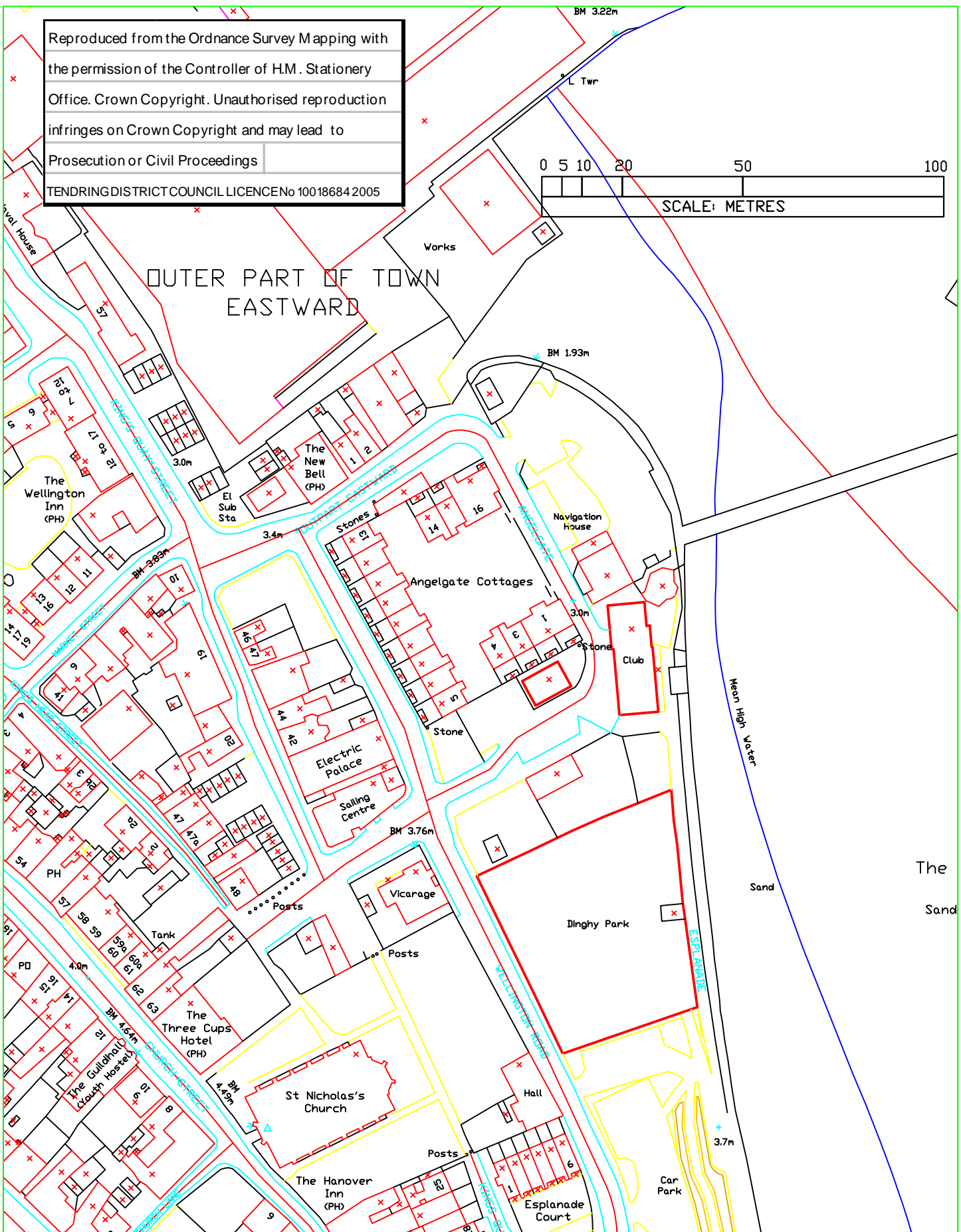
APPENDICES

Appendix A Location Plan.

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OUTER PART OF TOWN EASTWARD



TENDRING DISTRICT COUNCIL

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 HEAD OF CORPORATE PERFORMANCE

title: HARWICH TOWN SAILING CLUB

drawing: LOCATION PLAN

scale: 1:1250

drawn by: AR WHITE

date: 21 JUN 2007

drwg.No. **revision**

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