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

24 JANUARY 2014

REPORT OF THE FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.10 NEW LEASE FOR THE CO-OP, OVER PART OF THE CAR PARK IN HIGH STREET, WALTON-ON-THE-NAZE

(Report prepared by Aileen Middleton)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider the grant of a new 99 year lease to the Co-op over a small section of the car park at Walton-on-the-Naze. This lease will be to create access to a proposed flat above the Co-op store, and a small area for provision of bins.

EXECUTIVE SUMMARY

The Co-op occupies a large store on Walton High Street and this store has a disused shop unit adjacent to it and disused space above. The Co-op proposes to create a flat above the store and another adjacent to it.

To create the external entrance to the flat a door will be inserted into the gable wall of the building and entry and exit will be via the car park. Access is therefore required over the car park.

An area to the rear of the Co-op, approximately 1m wide, running the length of the store but not forming part of any parking space is proposed to be leased to the Co-op on a 99 year lease to provide storage for bins. The co-op already uses this area for a nominal rent of £65 pa under an old Licence agreement but this will be formalised through the proposed lease. The rent equates to an annual car parking cost for one car parking space.

RECOMMENDATIONS

That Cabinet authorises the granting of a new lease, in principle, subject to its decision on terms set out in the report in Part B of this agenda.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The new lease will have the potential to deliver on the following Council priorities:

- Ensuring all our residents live in high quality housing which meets local needs.
- Regenerating the District and improving deprived areas.
- Protecting and enhancing our environment, countryside and coast.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The lease of the area will lead to rental income for the Council. Details of this are contained in Part B of this agenda.

Risk

There are a small number of risks associated with this proposal:

| Risk | Control |
|---|---|
| If no lease is granted, but the Co-op continue to use the area for bins a secure tenancy will be created by accident. | It is proposed to grant a lease to remove the risk of an accidental tenancy. |
| The Co-op may be unable to meet their obligations under the lease. | This is unlikely but if this does happen the lease will be forfeited and the land will return to the Council's control. |

LEGAL

Section 123(1) Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as (section 123 (2)) the land is disposed for a consideration not less than the best that can reasonably be obtained.

The General Disposal Consent Order (England) 2003 gives consent for disposal at below best consideration reasonably obtainable provided that the undervalue is less than £2m and the proposal enhances the environmental economic and social wellbeing of the area.

Section 123(2A) Local Government Act 1972 indicates that, a local authority may not dispose of land held by it without advertising its intention to do so in the local press.

In this case the value negotiated by the agents is considered to be best consideration.

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement and Wards; and any significant issues are set out below.

None

Ward

Walton

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The car park in Walton is the site of the Town market and the bulk is leased to the Town Council. The site is to the rear of the Co-op store on the High Street. The Co-op have requested an area of the car park on a 99 year lease to enable them to formalise the bin storage for the store and to provide access from proposed flats above and adjacent to the store.

CURRENT POSITION

The Co-op plan to convert the upper parts of the store and the empty shop unit adjacent into flats and require a right of way over the car park for access provision. In addition to this access the Co-op would also like to formalise their rights over an area to the rear of the store which they use for the storage of their bins. They would like a 99 year lease over this area. Terms for the proposed lease are set out in Part B of this agenda.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

BACKGROUND PAPERS FOR THE DECISION

None

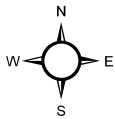
APPENDICES

- **Appendix A – Location Plan**

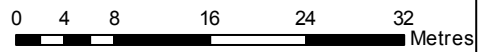
Legend



Date: 11/11/2013



Author:



Map Notes