

Key Decision Required:	No	In the Forward Plan:	Yes
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PORTFOLIO HOLDER FOR CORPORATE FINANCE AND GOVERNANCE

1 September 2020

A. NEW LEASE IN RESPECT OF 60 & 61 CHURCH STREET, HARWICH (Report prepared by Izaak Marshall)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval for the granting of a new lease over 60 & 61 Church Street, Harwich.

EXECUTIVE SUMMARY

There are currently separate leases for 60 and 61 Church Street that both reach the end of their contractual term on 31 December 2020. As the leases are in favour of the same tenant, they are seeking to renew under a single lease to include both properties for a further 15 year term. The new lease is in line with existing terms and has been negotiated by Officers.

RECOMMENDATIONS

That the Portfolio Holder approves the principle of the granting of a new lease over 60 & 61 Church Street, Harwich.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The Council has Corporate Priorities to balance the annual budget, use assets to support priorities and to support existing businesses. The granting of this lease will contribute to these.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

Renewal of the lease will provide for ongoing rental income. Details of the terms of the lease are set out in the concurrent confidential report.

Risk

The current tenant has leased this property for the last 12 years. Officers therefore do not consider there to be any significant risk in granting this new lease.

LEGAL

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.

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.

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.

The local Ward Member has been advised of this Report and its recommendations.

Ward

Harwich & Kingsway

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Originally these properties were leased to separate businesses and therefore had separate leases, however in 2006, the tenant of one of the shops took over the lease on the other one and started using them as part of the same business. The current tenant has leased the properties since taking an assignment in January 2008. During this time the properties have been used as a lock-up shop and storage space. As these properties have been used in conjunction with each other for the last 14 years, it makes sense to amalgamate them into a single lease as part of this renewal process.

CURRENT POSITION

The current leases are due to expire on the 31 December 2020 and the tenant would like to take up a new 15 year lease over the properties in order to continue running the business at the site.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None