

PORTFOLIO HOLDER FOR ASSETS

11 June 2024

REPORT OF THE CORPORATE DIRECTOR – OPERATIONS AND DELIVERY

A. TO AGREE THE PRINCIPLE OF A NEW LEASE OVER LAND AND PROPERTY IN WEST END LANE, DOVERCOURT

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval for granting of a new lease in respect of Harwich and Dovercourt Cricket Club, West End Lane, Dovercourt, CO12 3TT, edged red on the plan in Appendix A.

EXECUTIVE SUMMARY

Harwich and Dovercourt Cricket Club have been the Council's tenants since 1977 and currently are holding over on 41 year lease that passed the end of its contractual term in 2019. The Club is seeking to renew the lease for a further 25 year term, the length of which would allow the Club to apply for various funding.

It is proposed to grant a new 25 year lease in accordance with the negotiated Heads of Terms, which are included in the concurrent confidential report.

RECOMMENDATION(S)

It is recommended that the Portfolio Holder for Assets approves the principle of granting a new 25 year lease.

REASON(S) FOR THE RECOMMENDATION(S)

The property has been rented to the current tenant for over 40 years. It is in a fair condition and there are no outstanding rent payments. The Club's activity serves the local community across all age groups.

ALTERNATIVE OPTIONS CONSIDERED

Not to lease out the property to the current tenant and to search for a new tenant.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The Council's current priorities include pride in our area and services to the residents. The Cricket Club is an established local club, which recently had some new people joining the forces to drive and promote the club. They are expanding the Club's offer, they are looking to engage with local schools to promote the discipline and they have sought funding for a non turf pitch. Agreeing a new lease will provide the Club with the security they need to approach

other funders in order to support their Club's plans.

The Council is also prioritising financial sustainability and openness. Property assets bring in rental income to the Council which is used to support budget costs.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The Ward Member has been informed of this report and its recommendation.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	NO	If Yes, indicate which by which criteria it is a Key Decision	<input type="checkbox"/> Significant effect on two or more wards <input type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	10 May 2024

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.

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.

The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:

FINANCE AND OTHER RESOURCE IMPLICATIONS

The detailed financial implications are considered in the concurrent confidential report.

The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	Rents in respect of the Council's non-housing property assets are agreed at open market rental values. Rent reviews on an open market rental basis are incorporated into new leases so the Council continues to achieve market value for its assets throughout the life of the agreement.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	The Lease will be managed by the Property Services Team, who will carry out inspections to ensure that both parties are complying with their obligations, as per the lease.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	This Lease will provide a revenue income to the Council, which can be used towards supporting other Council priorities.
MILESTONES AND DELIVERY	
If it is agreed to proceed with a lease, then the legal team will be instructed to draft the lease and agree it with the tenant's solicitors. The tenant is keen to complete the lease as soon as possible in order to seek potential funding.	
ASSOCIATED RISKS AND MITIGATION	
It is not considered that there are any significant risks in this transaction.	
EQUALITY IMPLICATIONS	
Granting a new lease to the current tenant, is not considered to have any equality implications.	
SOCIAL VALUE CONSIDERATIONS	
The granting of this lease will continue to provide a sports club to the local residents within all age groups and also a socialising space for residents and visitors.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
The granting of the lease will mean the Council is not responsible for the energy and running costs of the building and they are removed from the Council's direct carbon total.	
OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	Should a new lease not be granted, the property will sit empty for a period time. Empty properties soon start to deteriorate and can become targets for antisocial behaviour

	Sporting activities for all ages provide an outlet and focus for time and energy, which may otherwise be used for other non-productive activities
Health Inequalities	The continued operation of the Club in this area adds to the sport and leisure choice and benefits locals and visitors alike
Area or Ward affected	Dovercourt All Saints

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>The current tenants have leased the property for over 40 years as a Cricket Pavilion. The current lease term expired on 31 December 2019 and the new lease will secure continuity of running of the cricket club for a further 25 year term.</p> <p>Heads of Terms for the new lease have been negotiated using the Council's standard lease template and full details are included in the concurrent confidential report.</p>
PREVIOUS RELEVANT DECISIONS
None
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
Appendix A – Location Plan

REPORT CONTACT OFFICER(S)	
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