

## Record of officer decision

<b>Decision title:</b>	Surrender & grant of new lease in respect of unit 12 Maylord Shopping Centre, Hereford
<b>Date of decision:</b>	16 February 2021
<b>Decision maker:</b>	Assistant Director Technical Services
<b>Authority for delegated decision:</b>	The Economy and Place Directorate's scheme of delegation dated 01.12. 2020 (line 54) gives the Assistant Director Technical Services the authority to take the decision
<b>Ward:</b>	Central
<b>Consultation:</b>	Cabinet Member for Assets, Contracts and Procurement supports occupation of vacant units and renewal of existing leases in order to mitigate costs, and increase the vitality of the shopping centre.
<b>Decision made:</b>	Approve surrender of existing and grant of new lease in respect of unit 12 Maylord Shopping Centre
<b>Reasons for decision:</b>	<ol style="list-style-type: none"> <li>1. The Maylord Orchard Shopping Centre is now owned outright by the council as a strategic asset in the centre of Hereford.</li> <li>2. The Shopping Centre comprises multiple retail units some of which a number have been vacant for some time and it is important that occupation levels are increased so that the holding costs incurred by the council are mitigated.</li> <li>3. The surrender of the existing lease is required as a result of the legal re-organisation of the tenant company and the new lease will mitigate costs in terms of business rates and standing charges that the council will otherwise pay.</li> <li>4. The terms agreed are for a new term of 5 years for retail purposes with the tenant to be responsible for payment of rent, service charge, business rates, utilities and internal repairs. The new lease provides for the possibility of a rent increase by the introduction of a turnover related element.</li> <li>5. The tenant, an established national retail company and the terms for the surrender and new lease have been recommended by the council's managing agent Montagu Evans.</li> </ol>

	6. The tenancies at the Shopping Centre will not prohibit that council from undertaking development at a future date.
<b>Highlight any associated risks/finance/legal/equality considerations:</b>	None – risks are mitigated by the exclusion of the new lease from the security provisions of the Landlord & Tenant Act 1954 and inclusion of break option
<b>Details of any alternative options considered and rejected:</b>	The decision being sought is to retain the tenant in the unit, the alternative is to allow them to leave and the unit become vacant and difficult to relet
<b>Details of any declarations of interest made:</b>	None

Signed:  
Chris Jenner, Assistant Director Technical Services

Date: 16 February 2021