

Record of operational decision

Decision title:	Grant of new leases in respect of various units held within the council's commercial property portfolio
Date of decision:	30 th May 2022
Decision maker:	Strategic Assets Delivery Director
Authority for delegated decision:	The Economy and Environment directorate Scheme of Delegation (23.12.2021) gives the Acting head of Property the authority to take this decision <i>Line 54 To negotiate and agree terms for the grant of leases, licences, tenancies, agreement for lease, development agreements and legal consents.</i>
Ward:	Countywide
Consultation:	None – this is an operational decision arising out of the management of the council's commercial property portfolio
Decision made:	To grant a new leases in respect of various units held within the council's commercial property portfolio as identified in Schedule 1 to the existing occupier on terms recommended by the council's appointed agents
Reasons for decision:	<ol style="list-style-type: none"> 1. The property is owned by the council as part of its property investment portfolio held to deliver optimum commercial returns through rental income which is used to support the council's strategic objectives in line with the County Plan 2020 – 2024. 2. In 2021 the council appointed Messrs JNA Property Ltd, Chartered Surveyors (JNA) under a contract for the provision of estates professional services including the negotiation of new leases where properties were occupied under Tenancies at Will or Licences. 3. The contract was awarded in consultation with the procurement team and in line with the council's procurement rules and accordingly JNA were instructed to negotiate the terms of a new lease with the existing occupier. 4. JNA have surveyed the properties, reviewed the level of market rents achievable in this location and made justified recommendations on the terms of the lease and the level of rent to be negotiated 5. Provisional agreement, subject to formal approval, has been reached with the current occupier for a new lease with the tenant responsible for all repairs and for a proportion of the costs of maintaining and providing services to the common parts of the industrial estate.
Highlight any associated risks/finance/legal/equality considerations:	None – the terms of the proposed leases have been negotiated by the agents and reflect market conditions. The current occupier has complied with all the terms of the existing agreement that is in place. The council's legal department will draft the lease.
Details of any alternative options considered and rejected:	Allowing the occupier to remain on the current terms of the current occupation – rejected as nature of this agreement leaves the council exposed to the liability for void property costs at short notice should the tenant vacate
Details of any declarations of interest made:	If any officers or members involved or consulted in the decision-making have declared an interest you should include the declaration here.

I am an officer delegated to make the decision

Signed:

Print Name: Sarah Jowett

Job Title: Strategic Assets Delivery Director

Schedule 1

Unit	Town
Unit 6 Great Western Court	Ross-on-Wye
Unit 7 Great Western Court	Ross-on-Wye
Unit 3 Foxwood Court, Rotherwas	Hereford
2 Twyford Road, Rotherwas	Hereford
6 Twyford Road, Rotherwas	Hereford
4 Wallbrook Court, Rotherwas	Hereford
Ross – on-Wye Library	Ross-on-Wye