

Record of operational decision

Decision title:	Agreement of rent reviews in respect of various properties held within the council's commercial property portfolio
Date of decision:	2022
Decision maker:	Acting Head of Property
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 agree rent reviews in respect of various units held within the council's commercial property portfolio as identified in Schedule 1 on terms recommended by the council's appointed agents
Reasons for decision:	<ol style="list-style-type: none"> 1. The properties are 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 rent reviews. 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. 4. JNA have surveyed the properties, reviewed the level of market rents achievable in this location and made justified recommendations on the appropriate level of rent to be agreed. 5. Provisional agreement, subject to formal approval, has been reached with the tenants.
Highlight any associated risks/finance/legal/equality considerations:	None – the revised rent proposed has been negotiated with the agents and reflects market conditions.
Details of any alternative options considered and rejected:	Not implementing the rent review – rejected as this would result in the council not receiving the benefit of an increased income where market rental levels are above the current rent payable under the lease.
Details of any declarations of interest made:	None

Signed..... Date: 4/8/22

Print Name: Sarah Jowett
 Job Title: Strategic Asset Delivery Director
 (Formerly Acting Head of Property)

Schedule 1

Unit	Town
Site A Westfields Industrial Estate, Faraday Road	Hereford