

Record of operational decision

Decision title:	Lease in respect of 7 Commercial Street, unit 29 and part unit 28, Maylord Orchards Centre, Hereford
Date of decision:	1 st June 2023
Decision maker:	Strategic Assets Delivery Director (formerly Acting Head of Property)
Authority for delegated decision:	The Scheme of Delegation for the Economy and Environment Directorate dated 03/08/2022 line 54. Gives authority for the Acting Head of Property to take this decision <i>“To negotiate and agree terms for the grant of leases, licences, tenancies, agreement for lease, development agreements and legal consents”</i>
Ward:	Central
Consultation:	Cabinet Member for Assets, Contracts and Procurement supports renewal of leases for units in the Centre in order to maintain the vitality of the Centre and mitigate costs of vacant units.
Decision made:	To approve the grant of a new short term lease in respect of these units in Maylord Orchards Centre to the proposed tenant
Reasons for decision:	<ol style="list-style-type: none"> 1. The Maylord Orchards Centre is owned outright by the council as a strategic asset in the centre of Hereford. 2. The Shopping Centre comprises multiple retail units some of which – including this property - have been vacant for some time and it is important that occupation levels are maximised so that the holding costs incurred by the Council are mitigated and the vitality of the centre improves. 3. The granting of a new lease to the proposed tenant will mitigate costs in terms of standing charges, business rates, and Service Charge contributions that the council will otherwise continue to pay. 4. The terms for the letting have been negotiated and recommended by the council’s letting agent Wright Silverwood. 5. The terms agreed are for a lease of 2 years with the proposed tenant to be responsible for payment of Landlord Service Charge, business rates, utilities and internal repairs. 6. The tenancy proposed at the Shopping Centre will not prohibit the council from undertaking development at a future date.
Highlight any associated risks/finance/legal/equality considerations:	None – the proposed lease is outside of the Landlord and Tenant At 1954 and includes a rolling mutual break clause effective at any time after the first 6 months.

Details of any alternative options considered and rejected:	Not to agree to the terms negotiated would be likely to result in the property remaining on the market, and it remaining unoccupied for a period of time with the Council continuing to be liable for vacant unit costs. Additionally, the continued presence of a vacant property at one of the main entrances to the Maylord Orchards Centre could be detrimental to its vitality
Details of any declarations of interest made:	None

Signed..... Date: 6th June 2023

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