

## Record of operational decision

<b>Decision title:</b>	Lease in respect of 5 Commercial Street, unit 35, Maylord Orchards Centre, Hereford
<b>Date of decision:</b>	1 <sup>st</sup> June 2023
<b>Decision maker:</b>	Strategic Assets Delivery Director (formerly Acting Head of Property)
<b>Authority for delegated decision:</b>	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>
<b>Ward:</b>	Central
<b>Consultation:</b>	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.
<b>Decision made:</b>	To approve the renewal of an existing lease in respect of unit 35 Maylord Orchards Centre to the current tenant
<b>Reasons for decision:</b>	<ol style="list-style-type: none"> <li>1. The Maylord Orchards Centre is 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 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.</li> <li>3. The granting of a new lease to the existing tenant will mitigate costs in terms of standing charges that the council will otherwise pay if vacated, and will ensure a revenue income stream is maintained.</li> <li>4. The terms for the letting have been negotiated and recommended by the council’s letting agent Wright Silverwood.</li> <li>5. The terms agreed are for a lease of 5 years with the tenant to be responsible for payment of Landlord Service Charge, business rates, utilities and internal repairs.</li> <li>6. The tenancy proposed at the Shopping Centre will not prohibit the council from undertaking development at a future date.</li> </ol>
<b>Highlight any associated risks/finance/legal/equality considerations:</b>	None – this is a secure tenancy and within the protection of the Landlord and Tenant Act 1954. However the Landlord could regain possession under statutory grounds at the end of the lease, if required.

<b>Details of any alternative options considered and rejected:</b>	Not to agree to the terms negotiated would be likely to result in the Tenant leaving the property, and it remaining unoccupied for a period of time with the Council liable for vacant unit costs. Additionally, there would be a loss of rental income which could be detrimental to the vitality of the Maylord Orchards Centre
<b>Details of any declarations of interest made:</b>	None

Signed..... Date: 6<sup>th</sup> June 2023

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