

**REPORT FROM: STRATEGIC DIRECTOR**

**TO: COLNE AND DISTRICT COMMITTEE**

**DATE: 30<sup>TH</sup> MARCH 2017**

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**39-41 MARKET STREET, COLNE**

#### **PURPOSE OF REPORT**

To recommend that Members request the Executive to consider a request to purchase the freehold or extend the term of the lease of the land edged black on the plan.

#### **RECOMMENDATION**

That this Committee recommends the Executive to refuse the request to purchase the freehold, but to consider the request to extend the lease.

#### **REASON FOR RECOMMENDATION**

A decision to dispose of the freehold would take away control from the Council and may affect future Town Centre redevelopment, but an extension to the lease would secure long term income for the Council and may result in an empty property being brought into use.

#### **BACKGROUND**

1. The land edged black on the plan forms part of a larger freehold site owned by the Council shown shaded grey on the plan. The area edged black is subject to a 120 year lease from April 1957 to 2077 at a fixed rent of £300 per annum. The premises comprise occupied shops with offices above which have been vacant for some time.
2. The lessee has submitted a formal request to purchase the Councils freehold or if this is refused for the lease to be extended by an additional 70 years. Previous requests to buy the freehold were submitted in 1990, 2004, 2007 and 2015, but these were refused as disposal would have taken overall control away from the Council and may affect potential future redevelopment.
3. An extension to the lease has been requested by the lessee to give him the option in the future to develop the vacant offices into residential accommodation to rent out or sell on, which he says would not be practical within the remaining lease term.

## ISSUE

4. Disposal of part of the freehold site would reduce the Council's interest and could affect any future Town Centre development and for these reasons the recommendation is to refuse the request to buy the freehold. The extension to the lease term would secure a long term income and may result in vacant space becoming occupied in the future.

## IMPLICATIONS

**Policy:** No policy implications are considered to arise directly from this report.

**Financial:** An extension to the lease would secure a long term income for the Council.

**Legal:** No legal implications are considered to arise other than as stated in the report

**Risk Management:** No implications are considered to arise directly from this report.

**Health and Safety:** No implications are considered to arise directly from this report.

**Sustainability:** No implications are considered to arise directly from this report.

**Community Safety:** No implications are considered to arise directly from this report.

**Equality and Diversity:** No implications are considered to arise directly from this report.

## APPENDIX

Location plan

## LIST OF BACKGROUND PAPERS

None