

**REPORT FROM: STRATEGIC DIRECTOR**

**TO: EXECUTIVE**

**DATE: 2<sup>ND</sup> OCTOBER 2017**

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**16 KIRBY ROAD, LOMESHAYE INDUSTRIAL ESTATE, NELSON**

#### **PURPOSE OF REPORT**

To consider a request to purchase the freehold or extend the long lease of the land edged black on the plan.

#### **RECOMMENDATION**

That the Executive refuses the request to purchase the freehold, but agrees to the lease being extended by an additional 27 years and that the Strategic Director be authorised to negotiate and agree terms for the lease extension.

#### **REASONS FOR RECOMMENDATION**

A decision to dispose of the freehold would result in the Council losing control and may affect any future redevelopment of the industrial estate. An extension to the lease would secure long term occupation of the land and the Council would receive a premium.

None of the other Council owned areas on the industrial estate are occupied on leases longer than 125 years, and for this reason the recommendation is for the remaining 98 year term of the lease to be extended by 27 years with payment of a premium to be negotiated. This would result in the lease being for a 125 year term, as for the agreement which was originally granted.

#### **BACKGROUND**

1. The land shown edged black is subject to a 125 year lease from the Council to J.M. Bell and Co from 20<sup>th</sup> February 1990 at a one off premium of £13,750, and the lease allowed the construction of an industrial unit by the lessee. The lease was assigned to Tyrer Tours in 2008, and they are selling 16 Kirby Road as the business no longer has a requirement for the property, but they say this is proving difficult within the remaining 98 years of the lease and have requested to buy the freehold or for the lease to be extended.

## ISSUE

2. Disposal of the freehold would take away control from the Council and could affect any future development of the industrial estate, and for these reasons the recommendation is to refuse the request to buy the freehold. The extension to the lease term may secure long term occupation of a vacant property and the Council would receive a premium.

## IMPLICATIONS

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

**Financial:** The Council would receive a premium for the extension to the lease.

**Legal:** No legal implications are considered to arise directly from this 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.

**Climate Change:** 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

## APPENDICES

Location plan

## LIST OF BACKGROUND PAPERS

None