

REPORT FROM: CHIEF EXECUTIVE

TO: POLICY AND RESOURCES COMMITTEE

DATE: 21st NOVEMBER, 2019

Report Author: Hywel Lebbon
Tel No: 01282 878939
E-mail: hywellebbon@liberata.com

10 REGENT STREET, WHITEWALLS INDUSTRIAL ESTATE, COLNE

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 Policy and Resources Committee refuses the request to purchase the freehold, but agrees to the lease being extended by an additional 32 years and that the Chief Executive 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 estates are occupied on leases longer than 125 years, and for this reason the recommendation is for the remaining 93 years of the lease to be extended by 32 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 forms part of a larger freehold site owned by the Council which also includes the adjoining 8 Regent Street and 1&2 Enterprise Way. It is subject to a 125 year lease from July 1987 to Hartleys Mail Order Ltd at a one off premium of £18,750, and the lease allowed the construction of an industrial unit by the lessee.
2. The lease was assigned to the Gibson Brother 1993 Pension Scheme in February 2013, and they have requested to buy the freehold or for the lease to be extended to 125 years.

ISSUES

3. 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 a longer term occupation and the Council would receive a premium.
4. The Council's freehold title is divided into four interests and 125 year leases have been granted for the sites of 8 Regent Street and 1&2 Enterprise Way from 1986. An extension of the lease term could cause an issue if the area was redeveloped in the future as 10 Regent Street would have a number of years remaining on the lease, but unless there are any intentions to redevelop the extension may result in long term occupation of an industrial site.

IMPLICATIONS

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

Financial: The Council would receive a premium from the extension of the lease.

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

Risk Management: No risk management 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