

REPORT FROM: CHIEF EXECUTIVE

TO: POLICY AND RESOURCES COMMITTEE

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INNOVATION CENTRE, BROOK STREET, NELSON

PURPOSE OF REPORT

To request that this Committee accepts a surrender of the lease of the property edged black on the plan and authorises the building to be advertised to let.

RECOMMENDATIONS

- (1) That the request for a surrender of the lease from the existing occupier of the property be accepted and that the Chief Executive be authorised to agree terms as required for the surrender.
- (2) That the property be advertised To Let and the two parties who have already expressed an interest in the property be invited to submit offers, and the Chief Executive be authorised to accept an offer and negotiate terms.

REASON FOR RECOMMENDATIONS

The current lease of the property does not produce a rental income for the Council, and a surrender of the lease would allow the whole building to be let which would result in a rental income. A surrender and new letting of the property may also create new employment.

BACKGROUND

1. The property is subject to a 6 year lease from 16th December 2007 to Trust 4 Business at one red rose, and they are currently holding over on the terms of this lease. This lease was granted to allow them to sublet parts of the building as offices to small and medium size enterprises.
2. There has been a significant decline in occupation levels of the Centre in recent years due to changes to business start-up grants and a reduction in the number of businesses coming forward, and the building has a low level of occupation. As a result of this Trust 4 Business wish to surrender their lease.

3. Two separate businesses based in the Borough have already expressed an interest in taking a lease of the whole property as they are expanding and require larger premises, and both businesses wish to remain in the area.

ISSUE

4. The property has a low level of occupation and does not bring in an income for the Council. Accepting a surrender of the lease would allow the property to be fully occupied and would produce a rental income for the Council.
5. It is proposed that the property be advertised To Let for office/business use and that both businesses who have shown an interest be invited to submit offers for a lease of the property, and that the Chief Executive be authorised negotiate terms with a surrender of the lease to be accepted.

IMPLICATIONS

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

Financial: A letting of the property would result in a rental income for the Council.

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

Risk Management: Full occupation of the premises would reduce the risk of vandalism and theft.

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: See risk management

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

APPENDICES

Location plan

LIST OF BACKGROUND PAPERS

None