

## COMMERCIAL TENANT - TOWN HALL

<b>Head of Service:</b>	Mark Shephard, Head of Property and Regeneration
<b>Report Author</b>	Mark Shephard
<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	
<b>Appendices (attached):</b>	Appendix 1 – Confidential Terms (Part II paper – exempt from publication under paragraph 3 of Sch 12A of the Local Government Act 1972)

### Summary

This report seeks authority to renew an existing commercial lease.

### Recommendation (s)

#### The Committee is asked to:

- (1) Agree the lease renewal of the Police accommodation at the Town Hall upon the terms set out in paragraph 2 of the confidential Appendix 1.**
- (2) Nominate and authorise the Head of Property & Regeneration, in consultation with the Chief Finance Officer and Chief Legal Officer, to take all necessary actions further to the above decision being made that commit resources, as is necessary and appropriate, to progress the lease renewal to completion.**

## 1 Reason for Recommendation

- 1.1 To complete the lease renewal of Town Hall Police accommodation and maximise the Council's commercial rental income and thereby support essential services.

## 2 Background

- 2.1 The Police commercially lease approximately 3,350 sq ft (311 sq m) of office accommodation in the Town Hall: The accommodation comprises:
  - 2.2 *Ground Floor*

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- Police counter in reception area
- Interview and locker rooms

### 2.3 *Second Floor*

- Main control room
- Meeting / rest rooms

### 2.4 *Car Parking*

- 18 parking bays

2.5 Police accommodation / Estates is the responsibility of the Police and Crime Commissioner for Surrey (PCC). The PCC replaced Surrey Police Authority as the Council's commercial tenant and the responsible party to the lease.

## **3 Lease renewal**

3.1 The Town Hall Police lease forms part of the Council's commercial property portfolio. The lease is negotiated on commercial terms reflecting the open market rental value of the leased accommodation.

3.2 The renewed rent has been verified by the Council's externally appointed asset valuers as representative of the open market rental value.

3.3 In addition to the market rent, a service charge is payable to reflect the tenant's shared use of the Town Hall and its running costs.

3.4 The PCC has approved the lease renewal and it is recommended Committee agree to proceed to completion as soon as possible as per the terms set out in the exempt Appendix 1.

## **4 Risk Assessment**

Legal or other duties

4.1 Equality Impact Assessment

4.1.1 Not applicable

4.2 Crime & Disorder

4.2.1 An occupied unit acts as a deterrent to antisocial behaviour.

4.3 Safeguarding

4.3.1 Not applicable

4.4 Dependencies

4.4.1 Not applicable

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4.5 Other

4.5.1 None

### 5 Financial Implications

5.1 Financial implications are set-out in exempt Appendix 1.

5.2 **Section 151 Officer's comments:** The proposed lease is consistent with the Council's agreed Medium Term Financial Strategy objective to generate commercial income from the use of Council assets.

### 6 Legal Implications

6.1 The council has a statutory duty under the Local Government Act 1972 ("the Act") not to dispose of its land or properties for a consideration less than the best that can reasonably be obtained, except with the express consent of the Secretary of State.

6.2 The Head of Property & Regeneration confirms the proposed rent reflects the open market value and complies with Best Value as detailed in paragraph 3.2 above.

6.3 Legal support is complete and has been provided by Guildford Borough Council.

6.4 **Legal Officer's comments:** None arising from the content of this report.

### 7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The following Key Priorities are engaged: Opportunity and Prosperity, Effective Council.

7.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

7.3 **Climate & Environmental Impact of recommendations:** The tenant's electricity is supplied by the Council, whose contract is sourced from 100% renewables. The tenant contributes by way of a service charge.

7.4 **Sustainability Policy & Community Safety Implications:** The Borough's residents continue to benefit from a Police Counter in reception.

7.5 **Partnerships:** None

### 8 Background papers

8.1 The documents referred to in compiling this report are as follows:

**Previous reports:** None

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**Other papers:** None