

Report on Investment Property Lease Renewal

Executive Portfolio Holder: Cllr John Clark, Portfolio Holder for Economic Development including Commercial Strategy
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Purpose of the Report

1. To seek approval from District Executive to enter into a new lease with an existing lessee at one of SSDC's investment properties.

Forward Plan

2. This report did not appear on the District Executive Forward Plan. The opportunity to agree a new lease gives a prospect to retain a valued lessee at one of our investment properties. The prospect of success is time sensitive and the matter has been fast-tracked to District Executive to give the best chance of succeeding.

Public Interest

3. The council owns a portfolio of properties held as investments to generate revenue to support funding of the council's services. The general performance and management of those assets is regularly reported to District Executive. This report relates to management of an individual tenancy at one property. It requires approval by District Executive to enable officers to proceed with the lease transaction.

Recommendations

4. That District Executive:-
 - a. Note the details of this matter as set out in the confidential appendix.
 - b. Note that approval has already been obtained from Disposals Assessment Group (DAG)
 - c. Approves the lease surrender and re-grant transaction as set out in the confidential appendix and delegates the detailed approval of the lease and agreement to the Commercial Property, Land and Development Manager in consultation with the Monitoring Officer.

5. SSDC has acquired around 20 properties held as investments for the income return they generate which contributes to the funding of council services. The portfolio of properties requires active management by the specialist team with that responsibility with the objective of optimising the returns on investment for the council.
6. This matter is commercially sensitive as well as time critical. For that reason, all detail is contained in the confidential appendix.

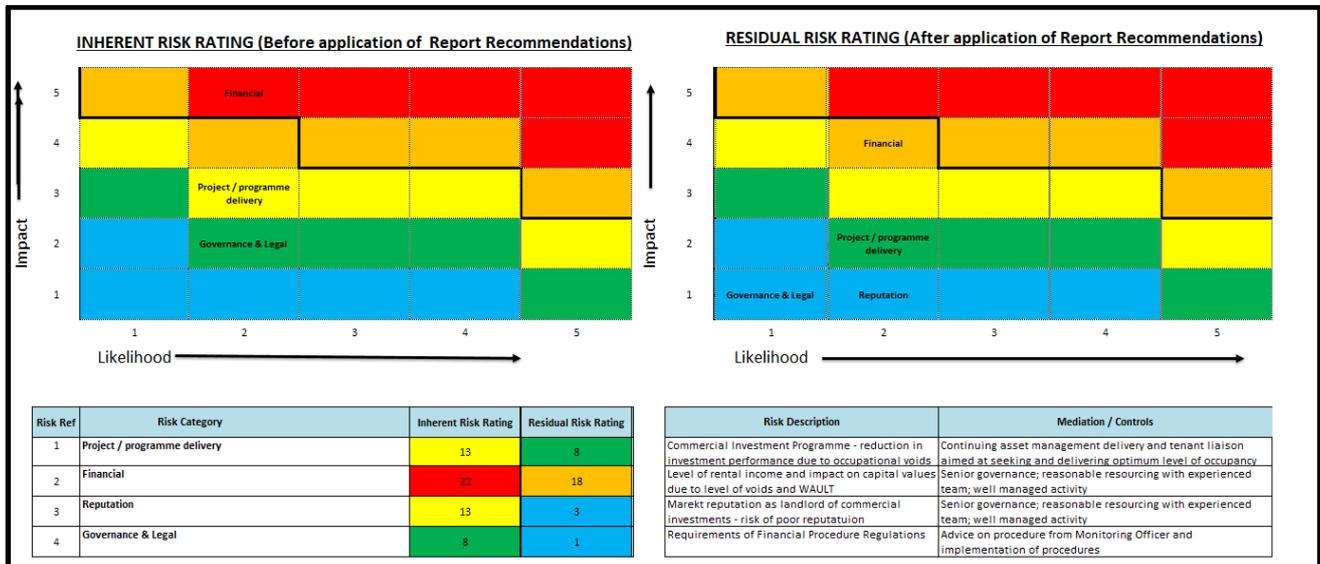
Financial Implications

7. See confidential appendix.

Legal implications (if any) and details of Statutory Powers

8. The surrender and re-grant transaction will be prepared by specialist property lawyers who have successfully handled similar transactions for the council.

Risk Matrix



Council Plan Implications

9. This report links to the following Council Plan objectives:
 - Protecting Core Services
 - Take a more commercial approach to become self-sufficient financially

Carbon Emissions and Climate Change Implications

10. None.



Equality and Diversity Implications

11. None.

Privacy Impact Assessment

12. There is no personal information included in this report

Background Papers

- SSDC Commercial Strategy 2017 and 2019