	<p style="text-align: center;">ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER In consultation with the Chairman of the Assets Growth and Regeneration Committee</p>
<p style="text-align: right;">Title</p>	<p>P.B. Donoghue, Units 18 & 25 Claremont Way Industrial Estate, NW2: New Lease</p>
<p style="text-align: right;">Report of</p>	<p>Director of Resources</p>
<p style="text-align: right;">Ward</p>	<p>Golders Green</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Charles Kornbluth, charles.kornbluth@barnet.gov.uk T. 020 8359 2216</p>

Summary
<p>Claremont Industrial Estate ('the Site') is owned freehold by the Council. The properties fall within the Brent Cross/Cricklewood Regeneration Area and the grant of a new short lease, excluded from the Landlord and Tenant Act, enables possession to be achieved on expiry in a timely manner.</p> <p>A plan of the demise is included in Appendix 1.</p>

Decisions
<p>To grant a lease of Units 18 & 25 Claremont Way Industrial Estate, Claremont Way, NW2 (and adjoining yard space) to P.B. Donoghue shown on drawing edged red.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 The Land and Property rules dictate that a long form Delegated Powers Report is required for values above £25,000 (see 5.4.3).
- 1.2 Previous Tenant RBS Utilities Limited's lease, dated 13 December 2012, on Units 18, 24 and 25 Claremont Way Ind. Estate expired on 31 December 2015. AABRS Ltd were appointed Liquidator of RBS Utilities Limited on 14 July 2014. The Council has not billed or received any rent since expiry in December 2015 and any occupation has been without consent. An unlawful subletting of units 18 and 25 has since taken place and RBS Utilities Limited have been receiving income from P.B. Donoghue, which has ultimately been collected by AABRS. We now seek to regularize the situation by granting a lease, dated upon completion, with P.B. Donoghue, until 31 December 2017, contracted out of the Landlord and Tenant Act 1954, when the property is required. It is currently envisaged that the site will be required at the beginning of 2018.
- 1.3 The proposed rent is £55,000 from date of completion until 31 December 2017, which is an increase of £11,000 on the rent paid by the previous Tenant, RBS Utilities Limited. Under the RBS' lease, the rent paid for units 18 and 25 was, when broken back, £14,000 p.a. and £30,000 p.a. respectively, a total of £44,000 p.a.
- 1.4 (Unit 24 was also part of RBS' demise at a rent of £16,000 p.a., which took RBS' total rent under the lease to £60,000 p.a. Unit 24 is also at an advanced letting stage which, if completed, will see a total rental increase of £7,000 p.a. for units 18, 24 and 25)

2. REASONS FOR DECISIONS

- 2.1 To regularize the current situation where the current occupiers and proposed tenant, P.B. Donoghue, are using the premises under an unlawful subletting by previous tenant RBS, by granting a formal legal agreement.
- 2.2 To ensure that the property continues to be occupied under a formal legal agreement until possession is required for redevelopment.
- 2.3 There is a risk of an implied tenancy if no legal agreement is in place which could affect the ability to gain possession when required.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

None

4. POST DECISION IMPLEMENTATION

- 4.1 Once the decision has been approved the lease renewal can be completed by HB Public Law.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Council's Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place
- of opportunity, where people can further their quality of life
 - where people are helped to help themselves, recognising that prevention is better than cure
 - where responsibility is shared, fairly
 - where services are delivered efficiently to get value for money for the taxpayer
- 5.1.2 The lease extension will support the corporate plan by mitigating loss of income pending the requirement of the site for the regeneration works.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.3 A rental income of £55,000 pa exc.

5.4 Legal and Constitutional Reference

- 5.4.1 Local authorities are given powers under Section 123(1) of the Local Government Act 1972, as amended, to dispose of land held by them in any manner they wish. The only constraint is that, except with the consent of the Secretary of State, a council cannot dispose of land, other than for the grant of a term not exceeding seven years, for a consideration less than the best that can reasonably be obtained. The proposal is very unlikely to have any state aid implication. The proposed rent represents best consideration.
- 5.4.2 The grant of the lease, excluded from the provisions of The Landlord and Tenant Act 1954, is for a term effective from the date of completion until 31 December 2017 with a rolling 3 month mutual break option to enable timely possession for the regeneration scheme.
- 5.4.3 Council Constitution, The Management of Asset, Property and Land Rules, Appendix 1 Table A – sets out the authorisation delegated powers thresholds. For Lease out for Rent or Consideration value of £25,000 to £100,000, the decision is delegated to the Director or Deputy Chief Operating Officer in consultation with Chairman of appropriate Committee. The Chair has been consulted.

5.5 Risk Management

5.5.1 I have considered whether the issues involved give rise to significant levels of public concern or policy considerations and I am satisfied that there are no concerns.

5.6 Equalities and Diversity

5.6.1 The signing of the lease will not give rise to any issues under the Council's Equality Policy and do not compromise the Council in meeting its statutory equalities duties.

5.7 Consultation and Engagement

5.7.1 None

6 BACKGROUND PAPERS

6.1 None

7 DECISION TAKER'S STATEMENT


7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

8 OFFICER'S DECISION

I authorise the following action

8.1 To grant a lease of Units 18 & 25 Claremont Way Industrial Estate, Claremont Way NW2 and adjoining yard space to P.B. Donoghue.

Signed



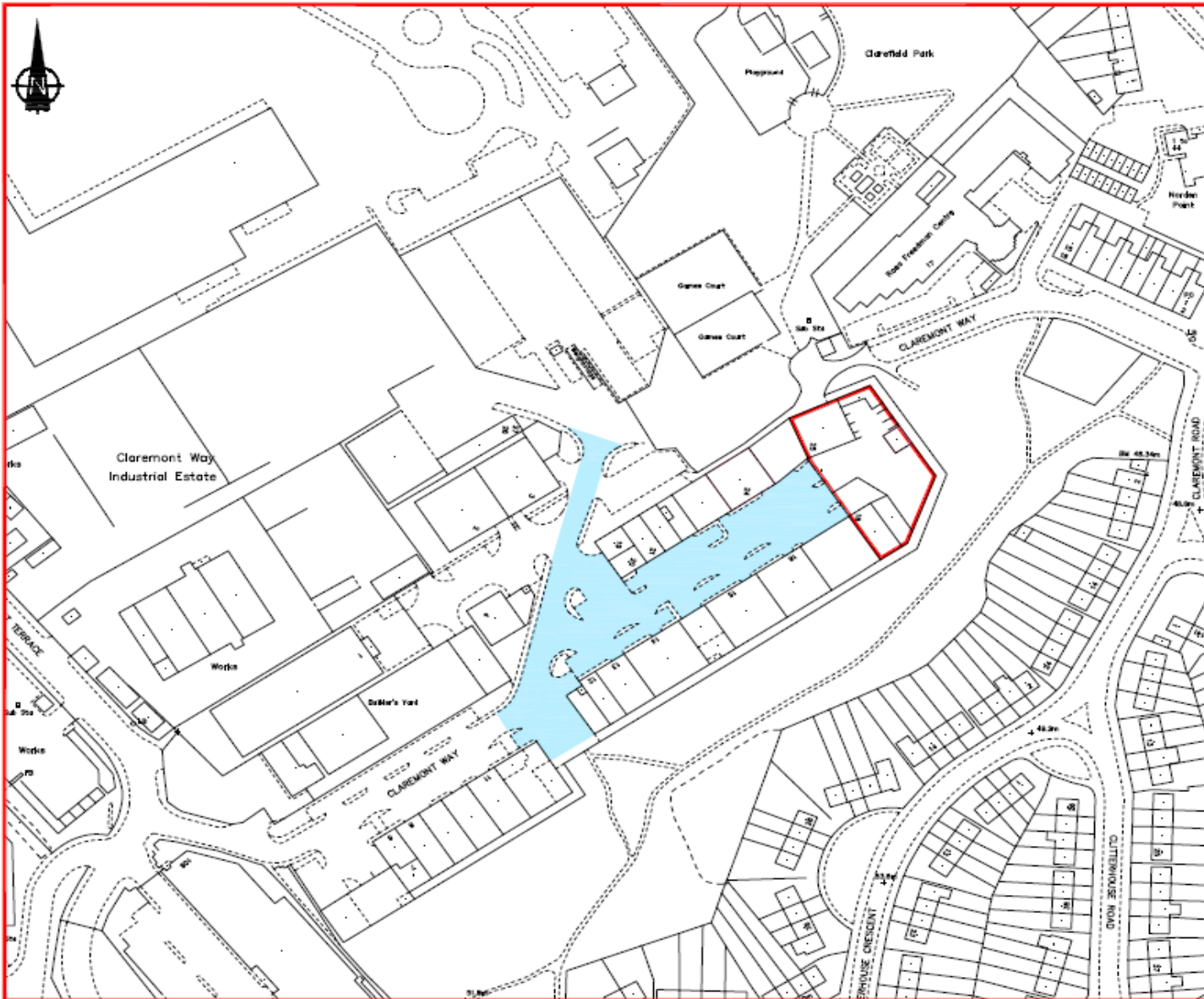
Name

Anisa Darr

Designation

Director of Resources

Appendix 1 - PLAN



NOTES:

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Revision and Date	Description	Initial

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SCHEME:
UNITS 18 & 25 CLAREMONT WAY
INDUSTRIAL ESTATE,
CRICKLEWOOD, NW2

TITLE:
PROPOSED LEASE

Scale:	1:1250	Date:	19/01/17
Initial:	G.K.	Drawn:	K.E.B.
		Checked:	G.K.

DRAWING NO:
22374/3

REPORT CLEARANCE CHECKLIST

(Removed prior to publication and retained by Governance Service)

Report authors should engage with their Governance Champion early in the report writing process and record the date below. If the decision/report has been reviewed at an internal board please record the date and name of the meeting (e.g. SCB). Otherwise enter N/A. All reports must be cleared by the appropriate Director/AD, Legal, Finance and Governance as a minimum. **Legal, Finance and Governance require a minimum of 5 working days to provide report clearance. Clearance cannot be guaranteed for reports submitted outside of this time.**

AUTHOR TO COMPLETE TABLE BELOW:

Who	Clearance Date	Name
Director / AD / Lead Commissioner	22.02.17	Anisa Darr Director of Resources
Regeneration Manager	By email 21/02/17	Karen Mercer
Enabling Board / Delivery Board		
Commissioning and Policy		
Equalities & Diversity		
HR Business Partner		
Strategic Procurement		
HB Public Law	By email 27/01/2017	Senior Property Lawyer: Louise Middleton HP Public Law
Finance	By email 24/01/2017	Nicholas Ajaegbu Finance Manager
Governance	By email 24/01/2017	Kirstin Lambert
Property Services Manager	By email 20/01/2017	Judith Ellis