

	<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: center;">Title</p>	<p>McGovern Haulage Limited, land adjoining units 26 & 27 Claremont Way Industrial Estate, NW2 (“Lorry Park”): New Lease</p>
<p style="text-align: center;">Report of</p>	<p>Director of Resources</p>
<p style="text-align: center;">Ward</p>	<p>Golders Green</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">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 term 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 new lease of land adjoining units 26 & 27 Claremont Way Industrial Estate, NW2 (“Lorry Park”) to McGovern Haulage Limited, shown on the drawing edged red.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 The Management of Assets Land and Property rules dictate that a long form Delegated Powers Report is required for values above £25,000.
- 1.2 The lorry park – land adjoining units 26 & 27 Claremont Way Industrial Estate – has always been owned by the Council, but as part a settlement with McGovern Bros (Haulage) Ltd in 2016, the lease of land adjoining units 26 & 27, held by McGovern Haulage Limited (MGH) was terminated and a new contracted out lease was granted to McGovern Haulage Limited from 5 January 2016 until 30 June 2017. McGovern Bros (Haulage) Limited and MGH are separate companies, owned by the same Director and Shareholder. It is proposed that MGH would continue to operate their business from the site until the land is required for development, at which point they would vacate the site at no further cost to LBB. A new lease is to be granted on similar terms as the previous lease, expiring on 29 June 2018 and with a rolling 3 month mutual break option to enable timely possession for the regeneration scheme.

2. REASONS FOR DECISIONS

- 2.1 To ensure that the properties continue to be occupied under a formal legal agreement until possession is required for redevelopment.
- 2.2 To ensure that McGovern Haulage Limited's leases all expire on the same date, for consistency, and the possession can be gained smoothly (MGH has a further three leases that expire on 30 June 2017 and they are all being renewed on similar terms).

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. POST DECISION IMPLEMENTATION

- 4.1 Once the decision has been approved the new lease 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 new lease 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 £40,551.00 pa exc.

5.4 The current rent of £40,551 p.a. will not be increased due to the short term nature of the proposed new lease and with consideration to the settlement agreed upon in 2016 with McGovern Bros (Haulage) Ltd.

5.5 Legal Fees: Each party to bear their own costs.

5.6 **Legal and Constitutional Reference**

5.6.1 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. Given that the lease is for a term less than seven years there is no requirement to achieve best consideration. However, considering the terms of the settlement agreement, the proposed rent is reasonable and promotes the interests of the Council.

5.6.2 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 29 June 2018 with a rolling 3 month mutual break option to enable timely possession for the regeneration scheme.

5.6.3 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 Chairman of Assets Regeneration and Growth Committee has been consulted.

5.7 **Risk Management**

5.7.1 This decision allows to mitigate against the risk of squatters and loss of income.

5.8 **Equalities and Diversity**

5.8.1 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.

5.9 Consultation and Engagement

5.9.1 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 land adjoining units 26 & 27 Claremont Way Industrial Estate, NW2 ("Lorry Park") to McGovern Haulage Ltd.

Signed



Name

Anisa Darr

Designation

Director of Resources

Date

25th July 2017

Appendix 1 - PLAN



Initiated by SOD	SCHEME: CLAREMONT WAY LORRY PARK CRICKLEWOOD, NW2	Steve Dunnevin, Director of Estates,	
Drawn by MM	TITLE: LEASE PLAN	London Borough of Barnet, Barnet House, 1255 High Road, Whetstone, London, N20 0EJ Tel. 020 8359 2000	
Checked by AJP			DRAWING No. 21823/7
Date 12/02/09	Scales 1:1250		