

**To:** Cabinet  
**Date:** 15 November 2023  
**Report of:** Executive Director (Development)  
**Title of Report:** Commercial Property Lettings

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To seek authority to let 16-17 Turl Street, 24-26 George Street, 33-35 George Street and Cadogan House, Wheatley to provide a rental income to the Council
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Ed Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management
<b>Corporate Priority:</b>	Enable an Inclusive Economy
<b>Policy Framework:</b>	Asset Management Strategy

<b>Recommendation:</b> That Cabinet resolves to:	
1.	<b>Delegate authority</b> to the Executive Director (Development) in consultation with the Head of Financial Services / S.151 Officer, the Head of Law and Governance and the Deputy Leader (Statutory) Cabinet Member for Finance and Asset Management to agree final terms, negotiate the form of documents and then enter into leases and any ancillary documents required for the letting of 16-17 Turl Street, 24-26 George Street, 33-35 George Street and Cadogan House, Wheatley subject to the requirements of S.123 Local Government Act 1972 being met.

<b>Appendices</b>	
Appendix 1	Exempt Appendix 1 – Not for Publication
Appendix 2	Risk Register

## Introduction and background

1. The Council owns the freehold of 16-17 Turl Street, 24-26 George Street, 33-35 George Street and Cadogan House, Wheatley. These commercial properties comprise city centre retail units and an industrial property located in Wheatley.

2. The properties are currently non-income producing, have been marketed by the Council's agents and are at various stages within the leasing process. See Confidential Appendix 1 for detail.
3. Rental values for each property are anticipated to exceed £125,000 per annum and therefore Cabinet approval is required to enter into the new leases. It is proposed Cabinet delegate this authority subject to the terms of any new lease meeting the requirements of s.123 Local Government Act 1972.

### **Financial implications**

4. These lettings are assumed within the Medium Term Financial Plan at the financial terms outlined in Exempt Appendix 1 with appropriate void periods and allowance for any initial rent free period. The lettings will provide significant revenue once completed.

### **Legal issues**

5. Section 123 of the Local Government Act 1972 empowers a local authority to dispose of land, by way of lease or sale. The disposal of land cannot be for a consideration less than the best that can be reasonably obtained, unless the consent of the Secretary of State is obtained. The letting proposals for 16-17 Turl Street, 24-26 George Street, 33-35 George Street and Cadogan House, Wheatley are in line with s.123 requirements. In the case of the letting of 16-17 Turl Street, the agreement for lease will make clear that completion of the lease will be conditional on value for money and best consideration being established.

### **Level of risk**

6. A risk register is attached at Appendix 2.

### **Equalities impact**

7. This will be a property transaction with the Equalities Impact being neutral.

### **Carbon and Environmental Considerations**

8. With the exception of 16-17 Turl Street, which is a listed property and therefore exempt, all of the properties have an up to date EPC and are within the correct parameters for letting.

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**Background Papers:** None