

Name of meeting and date: CABINET

Title of report: Commercial Land and Property Matters Approved Under Delegated Powers

Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable – Report for Information only
Is it in the Council’s Forward Plan?	Not applicable – Report for Information only
Is it eligible for “call in” by Scrutiny?	Not applicable – Report for Information only
Cabinet member portfolio	Corporate and Business Services

Electoral wards affected and ward councillors consulted: Various

Public or private: Public

1. Purpose of report

To ask Members to note details of negotiations relating to new leases; lease renewals; rent reviews and/or other transactions relating to properties in the Council’s commercial property portfolio which have previously been approved under powers delegated to Design and Property Service.

2. Key points

Resolution 2023 of the Policy and Resources (Estate and Property) Sub Committee of 23 March 1988 (as amended by Resolution 34 of the Council Meeting of 10 July 1996) authorises the Head of Design and Property Service to approve terms for new leases, lease renewals, rent reviews and other matters relating to properties in the Council’s Commercial Property portfolio.

A schedule of properties where terms have been negotiated for the above types of transactions during the period 1 June 2008 to 31 July 2008 is attached as Appendix 1.

The total rental income from the properties shown in Appendix 1 which have had rent reviews and/or renewals carried out over the above period amounts to £66,860.73per annum. Members are asked to note that, following the conclusion of the relevant reviews or renewals, the total rent will increase to £88,355.64 per annum (which represents a percentage growth of 28.31%).

Over the relevant period other reviews or renewals were due in respect of several pieces of land or commercial properties. On analysis, these have not been processed

because the cost of implementation is likely to be greater than the anticipated increase in rent. Those items are shown in the schedule attached as Appendix 2.

3. Implications for the Council

This report is brought to Cabinet in accordance with the decision of the Policy and Resources (Estate and Property) Sub Committee of 23 March 1988 (as amended by Resolution 34 of the Council Meeting of 10 July 1996) and in line with Contract Procedures Rules No 12.2(a). These policies help to improve the efficiency of the Estates Division and to reduce the number of minor reports being submitted to Cabinet

All transactions have been concluded in accordance with the provisions of the Estates Management Policy (approved by Cabinet on 21 March 2006).

4. Consultees and their opinions

Not applicable – Report for Information only

5. Officer recommendations and reasons

The advice of officers is that the transactions set out in Appendices 1 & 2 (as approved by Design and Property Service using delegated powers) are noted by Members.

6. Cabinet portfolio holder recommendation

Cllr Firth notes the content of the report

7. Next steps

Not applicable – Report for Information only

8. Contact officer and relevant papers

Steve Bell, Principal Property Management Officer,
Design and Property Service (Tel 860 6172 – steve.bell@kirklees.gov.uk)

Joanne Bartholomew, Assistant Director, Design & Property Service

Appendix 1

DELEGATED POWERS SCHEDULE: 1 JUNE 2008 – 31 JULY 2008

New Leases, Renewals, Rent Reviews and other property transactions

ADDRESS	TENANT	LEASE TERMS	PRESENT RENT	PROPOSED RENT
<u>ESTATES</u>				
<u>Renewals</u>				
Land at Bottoms Farm Lumb Lane Almondbury Huddersfield Revised rent is based on agricultural value. Previous rent was based on horse rates.	Elizabeth Ann Haigh	5 year farm business tenancy from 1 May 2008	£210	£190
Land at Hey Lane Lowerhouses Huddersfield	Elizabeth Ann Haigh	2 year farm business tenancy from 1 May 2008	£380	£530
14 Wood Street Huddersfield	Marcus & Maureen Johnson	3 year lease from 23 August 2008	£7000	£7500
100 Commercial Street Batley	Mushtaq Dorat	Quarterly tenancy from 1 July 2008	£4512	£6900
162/164 Blacker Road Birkby Huddersfield	Faber C Egan	5 year lease from 15 June 2008	£3250	£4300
<u>Rent Reviews</u>				
15 Branch Road Batley	Messrs Patel	3 rd year rent review of a 6 year lease from 1 July 2008	£3200	£4000
96 Commercial Street/1-5 Branch Road Batley	M Rahmani-Vahid & A Beharati-Zadeh	3 rd year rent review of a 6 year lease from 16 June 2008	£7500	£8200
Site of Substation Allison Drive Fartown Huddersfield	Yorkshire Electricity	40 th year rent review of a 60 year lease from 1 June 2009 (fixed increase)	£3.60	£4.80

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ADDRESS	TENANT	LEASE TERMS	PRESENT RENT	PROPOSED RENT
<u>ESTATES Rent Reviews cont.</u>				
Site of Substation School Lane Berry Brow Huddersfield	Yorkshire Electricity	38 th year rent review of a 58 year lease from 1 July 2009	£5.13	£6.84
Land off Ivy Street Aspley Huddersfield	Trustees of Shaws of Huddersfield Ltd Retirement & Death Benefit Scheme	30 th year rent review of a 99 year lease from 25 March 2007	£6030	£12500
Land at William Street Huddersfield	Montpellier Estates	24 th year rent review of a 93 year lease from 25 March 2007	£1850	£3144
Land at Hall Bower Lane Huddersfield	Newsome Panthers Junior ARLFC	5 th year rent review of a 27 year lease from 1 September 2008	£975	£1800
<u>New Lettings</u>				
Land at Liley Lane Grange Moor Huddersfield	I R G Collins & Partners	1 year farm business tenancy from 1 July 2008	-----	£1105
Land at Strike Lane Skelmanthorpe Huddersfield	E M Newby & Sons	Farm Business Tenancy from date to be agreed	-----	£450
Land at Park Lane Berry Brow Huddersfield	David Hayes	5 year lease from date to be agreed	-----	£425
Basement Wine Bar 64/66 John William Street Huddersfield	Patrick Boy & Emma Hill	3 year lease from date to be agreed	-----	£13000
14/16 Byram Buildings Huddersfield	Kirklees Energy Services Ltd	Quarterly tenancy from date to be agreed	-----	£6000

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ESTATES cont.**Deed of Surrender**

Land at The Common Thornhill Dewsbury	The Scout Association	10 year lease from 1 July 2001	£500	-----
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Due to a fall in the number of scouts, a merger of various scout groups has resulted in these premises no longer being required.

HOUSING**Renewals**

5 Browning Road Sheepridge Huddersfield	Mohammed Latif	10 year lease with a 5 th year rent review from 14 June 2006	£4100	£4650
9 Hyrstlands Road Batley	Sajid Ali	Quarterly tenancy from 16 April 2008	£2900	£3500
13/14 Copthorne Square Bradley Huddersfield	Manzoor Ellahi	15 year lease with 5 yearly rent reviews from date to be agreed	£5200	£5750

Rent Reviews

119 Northgate Almondbury Huddersfield	Keith Dyson	3 rd year rent review of a 12 year lease from 1 January 2008	£3600	£4000
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Assignments

7 Hyrstlands Road Batley	From: Mr Singh To: Mr Laher	5 year lease from 15 April 2007	£4160	£4160
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DELEGATED POWERS SCHEDULE: 1 JUNE 2008 – 31 JULY 2008**New Leases, Renewals, Rent Reviews and other property transactions**

ADDRESS	TENANT	LEASE TERMS	PRESENT RENT	PROPOSED RENT
<u>HOUSING Assignments cont.</u>				
2 St Peter's Parade Earlsheaton Dewsbury	From : Antony Freeland To : Andrew Littlewood	5 year lease from 1 July 2004	£3150	£3150.
1 The Parade Staincliffe Batley	From: Mr Hussain To: Mr Mahmood & Mr Khan	Quarterly tenancy from 11 May 2005	£3000	£3000
<u>New Lettings</u>				
9 Copthorne Square Bradley Huddersfield	Tokir Sura	5 year lease from date to be agreed	-----	£3000
7 Browning Road Sheepridge Huddersfield	Shamsa Almas Farzana	5 year lease from date to be agreed	-----	£5000
6 The Parade Batley	Mr Ayub	Lease from 12 May 2006 (co- terminus with lease from 2-5 The Parade)	-----	£2000
33 Vulcan Gardens Dewsbury	Mohammed Chotia	Quarterly tenancy from a date to be agreed	-----	£1600
<u>OTHERS</u>				
<u>Renewals</u>				
Stalls 4 – 6 Cleckheaton Market Hall Albion Street Cleckheaton	Janet Slater	Weekly tenancy from 1 April 2009	£5110	£5670

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New Leases, Renewals, Rent Reviews and other property transactions

ADDRESS	TENANT	LEASE TERMS	PRESENT RENT	PROPOSED RENT
<u>OTHERS Renewals cont.</u>				
Land at Shelley First School Terrace Shelly Huddersfield	School Far Bank Pre-School	Lease to commence 1 June 2008 and to be co-terminous with planning consent	£375	£1300
Stalls 18 – 20 Cleckheaton Market Hall Albion Street Cleckheaton	Vivian Laycock	Weekly tenancy from 1 April 2009	£6910	£7660
<u>Rent Reviews</u>				
Land at Carlinghow Hill Batley	Trustees of Batley Grammer School	30 th year rent review of a 99 year lease from 29 September 2008	£5750	£6750
<u>Assignments</u>				
Telecom Site Deighton Centre Huddersfield	From:T Mobile (UK) Ltd To:T Mobil (UK) Ltd & Hutchinson 3G Ltd	15 year lease from 17 July 2000	£6500	£6500
<u>New Lettings</u>				
Ice Cream Rights Oakwell Hall Country Park Birstall Batley	Marcus Chatburn	Licence from date to be agreed	-----	£4000 1 st year £5000 thereafter
Dewsbury Railway Car Park Railway Street Dewsbury	Yorkshire Ambulance Services NHS Trust	5 year lease from date to be agreed	-----	£6000
17 Riverside Way Ravensthorpe Industrial Estate Dewsbury	Sewtec Automation Ltd	Monthly licence from 8 July 2008	-----	£9120 + VAT (incl. of service charge, insurance & rates)

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New Leases, Renewals, Rent Reviews and other property transactions

ADDRESS	TENANT	LEASE TERMS	PRESENT RENT	PROPOSED RENT
<u>OTHERS New Lettings cont.</u>				
Unit 7 Riverside Way Industrial Estate Dewsbury	Howard Bailey & Janine Bailey	Quarterly tenancy from a date to be agreed	-----	£3500 plus VAT
Unit 18 Riverside Way Ravensthorpe Industrial Estate Dewsbury	George Lister and Julie Gregory t/a Sandwich Choice	Quarterly tenancy from a date to be agreed	-----	£7000 plus VAT
Unit 5 Riverside Way Industrial Estate Dewsbury	Vaughan Hobson t/a Greenacre Environment Systems Limited	Monthly licence from 24 July 2008	-----	£400 + VAT per month

Leases to the Council

Second Floor Office 13 Wellington Road Dewsbury	Regeneration Development Service	3 year lease from date to be agreed	-----	£1500
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The occupiers are already in occupation of the adjoining office. Due to a small increase in number of staff working there additional space is required and the landlord has agreed to 'swap' the existing office for a slightly larger room next door at no added rent.

Miscellaneous

Settlement of Dilapidations

Part 2 nd floor 8 Market Street Huddersfield	Kirklees Partnership	Lease to the Council 5 year lease from 4 November 2002	-----	-----
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SThe landlord quoted £11,021.69 which through negotiation has been reduced to £6,855.07. The money is to come from Office Accommodation revenue budget

Appendix 2

DELEGATED POWERS SCHEDULE: 1 JUNE 2008 – 31 JULY 2008 Lease/Tenancy Renewals and Rent Reviews NOT to be actioned for cost effective reasons

ADDRESS	TENANT	LEASE TERMS	PRESENT RENT
<u>ESTATES</u>			
<u>Renewals</u>			
18 Byram Arcade Huddersfield	John Woods	Quarterly tenancy from 1 January 2006	£3000
22/23 Byram Arcade Huddersfield	Susan E Warmby	Quarterly tenancy from 1 January 2006	£4940
22 Westgate Huddersfield	Clive Winter	5 year lease from 1 August 2003	£7500
24 Westgate Huddersfield	Rashid Ahmed Ullah	21 year lease from 9 July 1987	£7450
78 Northgate Almondbury Huddersfield	Ronald Tindall	Licence from 1 October 2005	£875
Advert Hoarding site St Thomas Road Folly Holly Huddersfield	Maiden Outdoor Advertising Limited	Quarterly tenancy from 1 January 2004	£2200
Advert Hoarding site St Thomas Road Folly Holly Huddersfield	More Group UK Limited	Quarterly tenancy from 1 January 2001	£6425
<u>Rent Reviews</u>			
60b St Johns Road Birkby Huddersfield	Mark Edward Earnshaw	3 rd year rent review of a 6 year lease from 10 February 2009	£2000
Land at Birchencliffe Hill Road Lindley Huddersfield	John Richard Gruen & AWD Trustees Ltd	30 th year rent review of a 99 year lease from 29 September 2008	£350
The Kiosk Huddersfield Bus Station Upperhead Row Huddersfield	Mohammed Ashrad Nasir	5 th year rent review of a 15 year lease from 16 July 2001	£10000

DELEGATED POWERS SCHEDULE: 1 JUNE 2008 – 31 JULY 2008
Lease/Tenancy Renewals and Rent Reviews NOT to be actioned for cost effective reasons

ADDRESS	TENANT	LEASE TERMS	PRESENT RENT
<u>HOUSING</u>			
<u>Rent Reviews</u>			
10 Howard Place Batley	Musa Limalia	Quarterly tenancy from 2 January 2006	£2950
<u>OTHERS</u>			
<u>Renewals</u>			
Unit 16 Riverside Way Ravensthorpe Industrial Estate Dewsbury	Yorkshire Telecommunications Limited	3 year lease from 11 November 2005	£6840
<u>Rent Reviews</u>			
Land at Highfields Clare Hill Huddersfield	Valea Limited	5 th year rent review of a 10 year lease from 1 February 2008	£250