



ADVANCED PUBLICATION OF REPORTS

This publication gives five clear working days' notice of the decisions listed below.

These decisions are due to be signed by individual Cabinet Members
and operational key decision makers.

Once signed all decisions will be published on the Council's
Publication of Decisions List.

- 1. LEASES IN FAVOUR OF ANTS REMOVALS LTD (Pages 1 - 14)**

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MUNICIPAL YEAR 2019/2020 REPORT NO.**ACTION TO BE TAKEN UNDER
DELEGATED AUTHORITY**

PORTFOLIO DECISION OF:
Leader of the Council

REPORT OF:
Programme Director
Meridian Water (in consultation
with the Director of Property and
Economy)

Agenda – Part: 1	KD Num: 5028
Subject: Leases in favour of Ants Removals Ltd	
Wards: Upper Edmonton	

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1. EXECUTIVE SUMMARY

- 1.1 The report seeks authority to grant a lease to Ants Removals Ltd for Unit 1, Site 2b and the First Floor Offices at Orbital Business Park, Argon Road, which are located within the Meridian Water Regeneration Scheme.
- 1.2 The properties were marketed by Lambert Smith Hampton for a period of 3 months, from the end of April 2019 to the end of July 2019.
- 1.3 The Council's Property Agents, Glenny, have confirmed that the offer received represents the open market value for the above property. Further details are provided in the Part 2 report.
- 1.4 The letting of the First Floor Offices would allow the Council to generate income from this property for the first time since they were acquired in 2015.

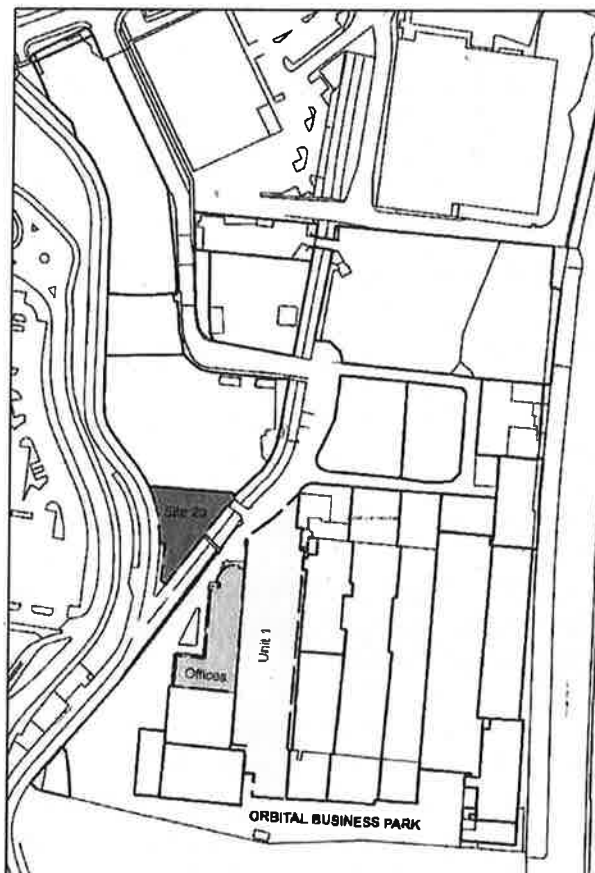
2. RECOMMENDATIONS

It is recommended that the Leader of the Council:

- 2.1 Delegates approval for letting these properties in favour of Ants Removals Ltd to the Programme Director, Meridian Water (in consultation with the Director of Property and Economy and the Director of Law and Governance), based upon the terms negotiated by our land agent, Glenny.

3. BACKGROUND

- 3.1 Meridian Water is Enfield's largest regeneration scheme which will establish a neighbourhood delivering at least 10,000 homes, thousands of jobs, a new train station, work space opportunities, shops, eateries and leisure facilities.
- 3.2 The properties in question are located within the Orbital Business Park. In terms of size they are 26,440 square foot (Unit 1), 9,256 square foot (Site 2b) and 7,340 square foot (First Floor Offices). Unit 1 is currently occupied by the existing tenant.



- 3.3 The properties were marketed by Lambert Smith Hampton as part of a Property Package. The Package was marketed for a period of 3 months via the Estates Gazette, Enfield Independent, Zoopla and Rightmove. Targeted marketing of film and media was also undertaken.
- 3.4 Expressions of interest in the Property Package for Media use were limited, with some initial general interest from Netflix, however due to

the size of the properties and short-term lease potential, this did not result in any bids coming forward from this sector.

- 3.5 Expressions of interest in the Property package for Commercial use were also lower than anticipated. Although there were 20 general enquiries, these resulted in zero formal expressions interest. The only formal expression of interest was from Ants Removals Ltd, the existing tenant at Unit 1 Orbital Business Park.
- 3.6 The existing tenant made a formal expression of interest to continue their Lease for the land in question (Unit 1), in addition to taking on a new Lease for the other two units within the marketed Property Package (Site 2b and the First Floor Offices). This presented an opportunity to renew the existing Lease for Unit 1 and generate rental income for two additional vacant units.

Further details are provided in the Part 2 report.

4. ALTERNATIVE OPTIONS CONSIDERED

These details are provided in the Part 2 report.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Meridian Water team has been set a revenue target of £1.1m. It would not be possible to meet this target without letting these properties (Unit 1, Site 2b and the First Floor Offices).
- 5.2 Letting these properties would mean that the Council avoids having to incur security costs, which would cost almost £5,000 per month.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

These details are provided in the Part 2 report.

6.2 Legal Implications

- 6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to public law principles. Pursuant to section 123 of the Local Government Act 1972, the Council may not dispose of land for less than the best consideration that can reasonably be obtained, (except with the specific consent of the Secretary of State or other than by way of a short tenancy, being one not exceeding seven years). The report

confirms that best consideration has been achieved and therefore provides the Council power to grant the lease which is the subject of this report.

6.2.2 In granting the proposed lease, the Council must comply with its Constitution including its Property Procedure Rules which set out mandatory procedures regarding (amongst other matters) the disposal of property assets. It is noted that the properties were as part of a property package have been placed on the open market and advertised publicly by Lambeth Smith Hampton, the external registered valuer. This report contains justification for the disposal as being in the best interest of the Council and written advice, including confirmation as to open market values from the Council's property agent Glenny is appended to this report.

6.2.3 As the anticipated rental value for the term of the proposed lease exceeds £250,000, the Council's Key Decision procedure must be followed set down in its constitution.

6.2.4 The lease arising from the matters described in this report must be approved in advance of commencement by Legal Services on behalf of the Director of Law and Governance.

6.3 Property Implications

These details are provided in the Part 2 report.

6.4 Procurement Implications

6.4.1 No procurement implications are required as the letting of these properties in favour of Ants Removals Ltd are subject to the Property Procedure Rules and do not fall within the scope of the Contract Procedure Rules.

7. KEY RISKS

These details are provided in the Part 2 report.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

The implementation of the Zone 1 development would have a positive impact on this objective with the creation of a significant number of good quality homes and new transport infrastructure.

8.2 Sustain strong and healthy communities

The implementation of the Zone 1 development would have a positive impact on this objective by way of creation of a new medical facility.

8.3 Build our local economy to create a thriving place

The renewal of the Lease will have a positive impact on this object. Securing significant rental income to contribute to the programme to establish a neighbourhood with best possible health outcomes within the Meridian Water Estate. This supports the Council's Health in All Policies (HIAP) approach.

9. EQUALITIES IMPACT IMPLICATIONS

Corporate advice has been sought in regard to equalities and an agreement has been reached that an equality impact assessment is neither relevant nor proportionate for the approval of this report.

10. PERFORMANCE AND DATA IMPLICATIONS

This report has been seen by the Data and Management Team who confirmed they have no issues with the contents of this report.

11. PUBLIC HEALTH IMPLICATIONS

Leasing this property will allow the Council to use funding to better support residents in their everyday lives.

Background Papers

N/A

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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