

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, Property and Economy
and Director of Law and
Governance)

Agenda – Part: 1

KD Num: 5039

**Subject: Lease in favour of A&D
Scaffolding Ltd**

Wards: Upper Edmonton

Contact officer and telephone number:

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1. EXECUTIVE SUMMARY

- 1.1 The report seeks authority to grant a lease to A & D Scaffolding Ltd for Site 2 Phoenix Wharf, Lee Valley Trading Estate which is located in the Council's Meridian Water Regeneration Scheme.
- 1.2 The Council's property agent, Glenny, have confirmed the rental value agreed with the proposed tenant is in line with the market value for the above property. Further details are provided in the Part 2 report.
- 1.3 The proposed letting will not affect the Council's redevelopment objective due to the fact the site is not required until 2030. The letting would support the meanwhile use strategy for the Meridian Water site and maximise meanwhile income.

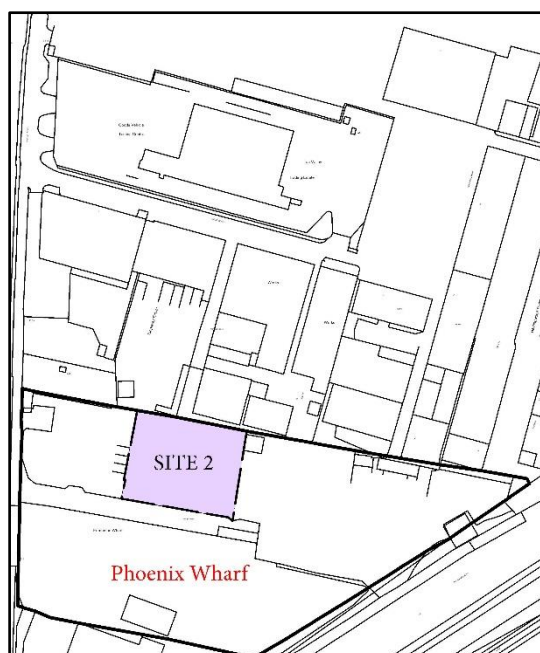
2. RECOMMENDATIONS

It is recommended that the Leader of the Council:

- 2.1 Delegates approval for letting this property in favour of A & D Scaffolding Services 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 the Council's property agent, Glenny.

3. BACKGROUND

- 3.1 Meridian Water is Enfield's largest regeneration scheme which has the potential to accommodate 10,000 homes, thousands of jobs, a new train station, work space opportunities, shops, eateries and leisure facilities.
- 3.2 A & D Scaffolding are the existing tenant at Site 2 Phoenix Wharf and can therefore be considered to be a local business. The tenant provides scaffolding services to support projects throughout the UK.
- 3.3 The site in question is land and storage located at Phoenix Wharf, Lee Valley, Trading Estate. It is 23, 958 square foot.



3.4 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 this property.
- 5.2 A 5 year letting is being considered for this site due to the fact that Phoenix Wharf will not be required for development purposes until at least 2030.
- 5.3 Awarding the lease for these sites in favour of A & D Scaffolding will enable the Council to secure a significant increase in rental income from this site.

Further details are provided in the Part 2 report.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

These are provided in the Part 2 report.

6.2 Legal Implications

- 6.2.1 Section 1 of the Localism Act 2011 gives the Council power to do anything an individual may do, subject to a number of limitations. This is referred to as the “general power of competence”. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. The general power of competence gives the Council the sufficient power to enter into the lease as described in this report.
- 6.2.2 Any letting must comply with the Council’s Property Procedure Rules which set out mandatory procedures regarding the disposal of the Council’s property assets.
- 6.2.3 The proposed disposal is to an existing tenant and is therefore to be considered as an off-market disposal for the purposes of the Property Procedure Rules. Such disposals are subject to a report prepared by the Responsible Senior Officer and approved by the relevant Cabinet member,

that includes justification for such a disposal as being in the best interest of the Council and written advice, including a market value, from an external registered valuer. The required information is contained within this report.

- 6.2.4 The form of lease must be approved in advance of commencement by Legal Services on behalf of the Director of Law and Governance.

6.3 Property Implications

These are provided in the Part 2 report.

6.4 Procurement Implications

No procurement implications are required as the letting of the site in favour of A & D Scaffolding Ltd is subject to the Property Procedure Rules and does 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

8.2 Good homes in well-connected neighbourhoods

The new Lease would have a positive impact on this objective. Securing significant rental income will contribute to the programme to establish a neighbourhood delivering at least 10, 000 homes and new transport infrastructure.

8.3 Sustain strong and healthy communities

The new lease would 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.

8.4 Build our local economy to create a thriving place

The new 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 Performance and Data team who have confirmed that they have no concerns with the contents of this report.

11 PUBLIC HEALTH IMPLICATIONS

It is unlikely that this proposal would have any negative Public Health implications. As referred to above, supporting the local economy is likely to have significant health benefits to local people especially if there is consideration of employment opportunities for local people.

Background Papers

N/A