

DECISION NO:

For Member Services use only

Concurrence No: 066413

Action under delegated authority of Chief Executive

Action under delegated authority of Director of Finance and Cabinet Member for Finance

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Action taken by Chief Executive in consultation with Cabinet Member(s)

Subject: Bollescroft, High Street, Hoddesdon EN11 8BE

Signature and designation of officer(s) taking action:

Chief Executive
05/11/2020
Date

Director of Finance
30/10/2020
Date

Head of Finance
28/10/20
Date

**Name of Cabinet Member(s)
Consulted:**

I have been consulted and concur with
the proposals set out below:

06/11/2020

Councillor P Mason
Cabinet Member for Finance and Business
Services

Signature: Date:

Councillor
Cabinet Member for

Signature: Date:

Name of any member who has declared a
conflict of interest in relation to this decision: _____

THIS DOCUMENT WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE

The report overleaf sets out the decision to be taken, the reasons for the decision, and the details of alternative options, if any, considered and rejected.

Officer decisions are available for public inspection, both at the Borough Offices and on the Council's website. Officer decisions are kept for a period of six years at the Borough Offices and for six months on the website after the decision is made. Background papers are available for four years.

RECOMMENDED that: that the letting of Bollescroft to The Trustees of Broxbourne Theatre Company on the revised terms as set out be approved.

Purpose

To approve revised terms for the letting of Bollescroft, High Street, Hoddesdon EN11 8BE to the Trustees of the Broxbourne Theatre Company (BTC).

Background

In July 2019, it was agreed via concurrence 66296, that the Council would grant a new, five year Full Repairing and Insuring (FRI) lease to BTC, at a peppercorn rent. The lease was to include annual, mutual breaks. The Council was also to receive income from community hire of the facility, although going forward BTC was to be responsible for organising the bookings.

A draft lease was issued on this basis. However, BTC did not agree to the terms. They agreed to the principal terms, but expected to retain the income from the community hire. The Trust stated that BTC's additional liabilities were to be offset against the community use income and that they would not be in a position to proceed with a lease which increased BTC's liabilities.

The original concurrence set out that the proposed lease would result in an annual saving to the Council of £6,000 (the net cost per year of the facility) plus additional income of £3,500 (the income from community use).

As it is clear that BTC is not willing or able to proceed on the basis previously set out, it is now proposed to amend the lease to allow BTC to retain the community hire income, with all other terms remaining the same.

This will still result in an annual saving to the Council of £6,000.

Financial, Legal and Risk Management Implications

The original concurrence identified the Council's desire to reduce costs by outsourcing the management of community buildings such as Bollescroft.

The FRI terms of the lease will ensure that the Council has no on-going financial commitments in respect of the property, as long as the lease remains extant. Future repairs and all other outgoings will be entirely the responsibility of BTC. Furthermore, the lease will include an obligation on the part of BTC to continue to make the building available for community use.

Alternative Options Considered and Rejected.

If BTC cannot keep the income arising from community use, the letting will not proceed. The only realistic alternative would be for the Council to take over the operation of the building. This is contrary to the Council's stated desire to outsource the management of such buildings. It would also result in further losses going forward.

Contribution to the Council's Objectives and Environmental Sustainability Priorities.

The grant of a new lease on the revised terms will offer continuing community use development, whilst managing the Council's assets efficiently.

Conclusion

It remains in the Council's best interest to complete the lease with BTC retaining the income from the community uses. This will still achieve the Council's objective of reducing costs by outsourcing management of this type of building and realistically represents the only opportunity to do so.

Contact Officer: Paul Everett

Ext: 5763

Date
07.08.2020

Action reported to the Cabinet on:
