

DECISION NO:	<i>For Member Services use only</i>
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Concurrence No:	066428
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Action under delegated authority of Chief Executive	
Action under delegated authority of Director of Finance and Cabinet Member for Finance	
Action taken by Chief Executive in consultation with Cabinet Member(s)	X

Subject: Flamstead End Hall – Agreement of Heads of Terms with Cheshunt Sea Cadets

Signature and designation of officer(s) taking action:

22/01/2021	21/01/2021
_____ Chief Executive	_____ Director of Finance
Date	Date
	20/10/20
	_____ Head of Finance
	Date

Name of Cabinet Member(s) Consulted:

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

Councillor S Monaghan

22/01/2021

Cabinet Member for Housing & Community Services

Signature:

Date:

Councillor P Mason

26/01/2021

Cabinet Member for Finance & Business Services

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: the Heads of Terms for the lease of Flamstead End Hall be agreed.

Purpose

To agree the Heads of Terms which will underpin the lease for the management and operation of Flamstead End Hall by Cheshunt Sea Cadets (CSC).

The Project

At its meeting in September 2019 Cabinet resolved that:

- a) the Chief Executive, in consultation with the Cabinet Members for Housing and Community Services and Finance and Business Services be authorised to agree the exact terms for the letting of Flamstead End Hall to the Cheshunt Sea Cadets; and
- b) any section 106 funding which may be made available to be used principally for carbon reduction measures.

CSC took over management of Flamstead End Hall on 1 December 2019 on a Tenancy at Will basis ahead of the exact terms of the lease being agreed.

Draft Heads of Terms

The main elements contained in the draft Heads of Terms are as follows:

- a lease term of twenty five years with mutual break clauses
- the centre continues to operate for community use
- the first three years rental at a peppercorn plus 5% of turnover with a review every three years
- the tenant is responsible for all outgoings, including repairs and maintenance
- the tenant will assume responsibility for the booking of the football pitches, retaining income and bearing the maintenance costs.

Financial, Legal and Risk Management Implications

The terms of the lease will be 25 years with a mutual break clause every fifth anniversary. Should the break clause be triggered six months' notice will be required. The first three years will be at a peppercorn plus additional rent calculated as a turnover percentage of 5%, with rent reviews every third anniversary. The tenant will be responsible for all ongoing costs associated with this property for the duration of the lease period.

This will result in a saving for the running costs of the hall of £15k per annum.

Alternative Options Considered and Rejected

For the Council to retain management and operation of the hall however it is likely that the hall would continue to operate at a deficit.

Contribution to the Council's Objectives and Environmental Sustainability Priorities

Maintain a stable financial position.

Build strong partnerships to deliver more for the Borough.

Conclusion

That the Heads of Terms are agreed for CSC to manage and operate Flamstead End Hall allowing the lease to be finalised.

Contact Officer: Tracy Brannick

Ext: 5407

Date
15/10/2020

Action reported to the Cabinet on: 24th
September 2019
