

EXECUTIVE DECISION RECORD SHEET

Name of decision maker:	Councillor Nick Tiley
Portfolio:	Resources
Date of Portfolio Holder Decision:	

Title of Decision:	Lagley Hall, Berkhamsted
---------------------------	--------------------------

Decision made and reasons:	
To approve a lease of Lagley Hall to Hertfordshire County Council, subject to final terms being agreed.	
Reports considered: (here reference can be made to specific documents) See Appendix A – Information regarding Hertfordshire Children’s Centre’s.	
Officers/Councillors/Ward Councillors/Stakeholders Consulted: Councillor Nicholas Tiley, Portfolio Holder Councillor’s Ian Reay, Stephen Bateman, Julie Laws, Carol Green, Andrew Fairburn, Jonathan Mole Valuation & Estates Manager Head of Resources Berkhamsted Town Council	
Monitoring Officer comments:	No further comments to add to this report
Chief Financial Officer comments:	In the absence of any possibility of a commercial letting, the proposal from Hertfordshire County Council offers a means of providing a local service with no additional cost to Dacorum Borough Council. While no rental income will be achieved, there will be budget savings on NNDR (£2,000 per annum) and the building will benefit from the County Council’s investment.
Implications:	The building has been marketed since it was vacated in February 2010. There is no interest from the commercial market for these premises. It is the preference of DBC to have the building occupied on a lease to HCC than it to stand empty awaiting an appropriate commercial tenant.
Risk:	If we do not proceed with the let to HCC, DBC will be liable for securing, maintaining, and paying business rates on the building. It is a low risk letting to HCC. The building will be refurbished and maintained by HCC in lieu of a rent payment to DBC. HCC anticipate spending £250,000 in refurbishing and refitting the building for its use as a children’s centre.
Value for Money:	The Council will not be responsible for any future repairs and maintenance of the building, nor business rates. HCC will carry out refurbishment works costing £250,000.
Options Considered and reasons for rejection:	

EXECUTIVE DECISION RECORD SHEET

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

For Member Support Officer use only

Date Decision Record Sheet received from portfolio holder: 19 October 2010

Date Decision Published: 26 October 2010

Decision No: PH/065/10

Date of Expiry of Call-In Period: 2 November 2010

Date any Call-In received or decision implemented:

Background Report

Lagley Hall was previously used by DBC for the provision of meals on wheels service. They moved off site in February 2010 and the meals on wheels service is now provided by Herts Community Meals who now operate out of premises in Hemel Hempstead.

The premises have subsequently been marketed for re-letting and since that time two offers have been received as detailed below. The building is in a poor position within a residential estate. Constructed in the 1950's , the building offers only 4 parking spaces.

Offer 1:

Received from Titi Oluwadane who wished to use the premises for the purpose of providing a social enterprise/religious centre/community meeting centre. The rental offer is £4,000 per annum. Ms Oluwadane would take the lease in her name. Leasing to the premises to an individual does not provide for a strong covenant in comparison with an organisation such as HCC. It is questionable as to whether the offer from Titi Oluwadane is a strong long term option for the premises.

Offer 2:

Received from HCC who wish to occupy the premises on a 25 year lease to provide a children's' centre providing provision and support to children aged 0-5 years. The premises would be held on a headlease by HCC and sublet to Kings Road Church Children's centre Ltd and Worldshaper's who are both registered charities who will run the service.

HCC wish to make a capital investment by refurbishing the building in lieu of paying rent.

In consideration of the offers it would appear that HCC's offer be more appropriate for the following reasons:

1. The strength of covenant that HCC will provide.
2. The proposed use as a children's centre. There is no facility available in this area.
3. The capital investment in the premises which negate DBC's responsibilities over the next 25 years.

EXECUTIVE DECISION RECORD SHEET

It is recommended that agreement is given to support HCC's proposal for the premises, subject to final terms being agreed. Such terms to be approved by the Interim Group Manager, Corporate Assets and Property Development.