

Decision Making by an Officer with Delegated Powers

Decision to be taken by: Neil Corbett, Head of Property Services

Pursuant to an Authorisation from: Director of Strategic Finance 4 October 2018 under DSF14, "To acquire and dispose of any interest in land and manage the councils estate." And GEN 3: "to do anything that is required for the effective management of staff and other resources within each service of the Council."

Report title: Consent to assignment of the lease of former South Cerney Education Centre from Prospects Ltd to South Cerney Outdoor Limited

The decision	To consent to the assignment of the lease from Prospects Limited to South Cerney Outdoor Limited in consultation with Cllr Lynden Stowe, Cabinet Member
Background documents <i>(Include location/contact for inspection of background documents)</i>	<p>Previous Cabinet decisions in 2011 and 2012 established the original long lease to Prospects Ltd.</p> <ol style="list-style-type: none"> 1. Cabinet Member Decision Report on future delivery of services for Young People 18th February 2011 2. Cabinet Member Decision Notice on future delivery of services for Young People 28 February 2011 3. Cabinet Member Decision Report on future use of GCC's Outdoor Education Centres 11 May 2011 4. Cabinet Member Decision Notice on future use of GCC's Outdoor Education Centres 19 May 2011 5. Save South Cerney Outdoor Education Centre Petition to County Council 18 May 2011 6. Cabinet report on sale of South Cerney Outdoor Education Centre 7 March 2012 and three EXEMPT Appendices A, B & C 7. Cabinet Decision on sale of South Cerney Outdoor Education Centre 7 March 2012
Reasons for the decision	GCC received a request from the current tenant, Prospects, to assign the remaining term of the lease (119 years). The lease requires GCC's consent to any assignment, and as freehold owner of the site, GCC cannot unreasonably withhold such consent. Property Board considered this request and its recommendation was to consent to the assignment of the lease.
Financial implications	No directly foreseeable financial implications, in so far that the main value of the site was extracted, in the form of a premium, when the original lease was granted to Prospects Ltd in 2012.
Alternative options considered and rejected	<p>The following alternative options were considered and rejected by Property Board Report 1st February 2019.</p> <ul style="list-style-type: none"> • GCC to decline to consent to assign the lease to South Cerney Outdoor Limited. <i>(This would require GCC to</i>

	<p><i>demonstrate that it has reasonable grounds to decline to consent)</i></p> <ul style="list-style-type: none"> • GCC to market the freehold of the site, with the current occupier and associated lease left in place • GCC to buy out the current lease-holder and for the existing business and the site to be returned to GCC control, with attendant TUPE and staff related responsibilities
<p>Who has been consulted?</p> <p>What were their comments?</p>	<p>A number of GCC service areas have been consulted including Finance and Legal. And their respective summary comments are set out below.</p> <p>Cllr Lynden Stowe, Cabinet Member, was consulted and supported the decision to consent to the assignment of the lease.</p>
<p>Legal assessment</p>	<p>Under the terms of the Lease, GCC has limited scope to refuse consent to any assignment: if in its reasonable opinion, the assignee together with any security and/or guarantor offered are not of sufficient financial standing to enable compliance with the tenant's covenants and conditions in the lease OR unless the assignee can demonstrate to GCC's reasonable satisfaction the intention to operate the Centre in accordance with the terms of the Lease.</p>
<p>Financial assessment</p>	<p>Finance carried out credit safe checks on both South Cerney Outdoor Limited and their guarantor Capital for Colleagues (C4C) of which both came back positive.</p>
<p>Compliance with Public Sector Equality Duty</p>	<p>While this decision is based principally on GCC's obligations as a landlord, the continued provision of outdoor recreation opportunities for young people at this site is considered a positive.</p>
<p>Has any conflict of interest been declared by any Cabinet Member consulted on the decision?</p> <p>If any conflict of interest declared, was a dispensation granted by the Audit and Governance Committee of the Council?</p>	<p>No</p>
<p>Does this decision report form or any supporting papers provided contain confidential or exempt information?</p> <p><i>(Refer to Democratic Services Unit for advice if necessary)</i></p>	<p>No</p> <p><i>If Yes, please provide details of document(s) that are confidential or exempt</i></p>
<p>Does this decision need to be published on the GCC website?</p>	<p>Yes</p>

(Refer to guidance on "Executive decisions taken by officers")

In coming to this decision I have given due and full regard to the requirements of the Public Sector Equality Duty contained in section 149 of the Equality Act 2010 ("the Act").

Having fully considered all available information, I have decided to reject the alternative options and take the recommended decision(s), for the reasons set out in this report.

Signed



(Neil Corbett, Head of Property Services)

Dated 30th April 2019

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