

LEASE EXTENSION FOR THE SCOUT ASSOCIATION TRUST CORPORATION

To: Commercial and Investment Committee

Meeting Date: 26th April 2019

From: Strategic Assets

Electoral division(s): Newnham

Forward Plan ref: N/a **Key decision:** No

Purpose: The Scout Association Trust Corporation have requested an Extension of their current Lease by 100 Years, in order to justify their significant investment in a new Scout Hut on site.

Recommendation: Approval to the 100 year Lease Extension , taking the existing Lease to 2131.

Subject to the following Conditions –

1. Tenant to pay Landlord's reasonable Legal Costs in dealing with the Extension, as well as their own.
2. Tenant to ensure the Lease extension is registered with the Land Registry.
3. A new Landlord's Break Clause to be included within the Lease, on 6 months' notice, should the Freehold be redeveloped or disposed of by CCC.
4. A new Landlord's Break Clause to be included within the Lease, on 6 months' notice, should the adjacent School, Newnham Croft Primary, require the space for expansion.
5. All other Lease Terms, save Rent, to remain the same. The Rent to increase to £250 pa (from £100pa), with Rent Reviews on every 5th Anniversary on an RPI Basis.

<i>Officer contact:</i>		<i>Member contacts:</i>	
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1. BACKGROUND

- 1.1 The Scout Association Trust Corporation have occupied Land at Newnham Croft Primary School under Leases since approximately 1973, providing a base for the Newnham Croft Scout Groups. The Scouts current Ground Lease of 21 years was completed in 2010, and expires 14th April 2031. The Scout Hut is owned by the Tenant.
- 1.2 The Tenant have approached CCC as Landlord, to request an extension to the Lease of 100 years. This would allow the Tenant to finance and build a new Scout Hut for use by themselves and the wider community. Their advisers have suggested the new Hut will have a lifetime of 100 years. Without the security of a longer Lease, it is unlikely that finance, by way of grant funding, loans and fundraising will not be achievable.
- 1.3 The Scout Hut is not only used by the Newnham Scout Group, but many other community groups including Holiday Clubs, Out of School Activities, Lunch Club's and various special interest groups. The condition of the existing Scout Hut is a worry to the Group and the replacement will ensure it's ongoing use within the Community.

2. MAIN ISSUES

- 2.1 This Report proposes that CCC agree to the requested Lease Extension, subject to the Conditions recommended.
- 2.2 It is noted that the Scout Hut is currently included within the Primary School's Area, and that Education have noted this to be reviewed given the current capacity of the School and the external space standards.
- 2.3 Should the School become an Academy in the future, the Scout Lease could be transferred, as part of a Commercial Transfer Agreement.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

The following bullet points set out details of implications identified by officers:

- Improved facility for an established Community Group
- Longer Term will enable the Tenant to plan further into the future for their group aspirations
- Continued ability to offer Premises for other uses to the community (as long as these are in line with the Lease Terms)

3.2 Helping people live healthy and independent lives

The following bullet points set out details of implications identified by officers:

- Community groups using the building support the local population by way of a variety of activities on offer.

3.3 Supporting and protecting vulnerable people

The following bullet points set out details of implications identified by officers:

- Community groups using the building support the local population by way of a variety of activities on offer.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The following bullet points set out details of significant implications identified by officers:

- CCC will be tied into a longer Lease with the Tenant, with limited opportunity to regain control of the site should this be required.
- CCC will receive an increased Rent to cover administration costs of the Lease, with defined increases over its Term.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The following bullet points set out details of significant implications identified by officers:

- The Lease length will require Member Approval at Commercial and Investment Committee

4.3 Statutory, Legal and Risk Implications

The following bullet points set out details of significant implications identified by officers:

- CCC will be tied into a longer Lease with the Tenant, with limited opportunity to regain control of the site should this be required.

4.3 Equality and Diversity Implications

There are no significant implications for this priority

4.4 Engagement and Communications Implications

There are no significant implications for this priority

4.6 Localism and Local Member Involvement

The following bullet points set out details of significant implications identified by officers:

- The Lease extension will help to improve an existing community facility, on CCC property.

4.7 Public Health Implications

There are no significant implications for this priority.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Martin Wade
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Fiona McMillan
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Fiona McMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Fiona McMillan
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Fiona McMillan
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Fiona McMillan
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Fiona McMillan

Source Documents	Location
<i>Existing Lease and Lease Plan</i>	<i>Available from the Strategic Assets team – contact: jane.webster@cambridgeshire.gov.uk</i>
<i>New Scout Hut Drawings and Plans</i>	