

Report for:
ACTION

Item Number:

Contains Confidential or Exempt Information	YES (Part) Confidential Appendices 2 and 3 contain financial information which is exempt pursuant to paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (see paragraph 10 to the Access to Information Procedure Rules)
Title	New lease for Greener Ealing Ltd (GEL) at Greenford Business Service Centre
Responsible Officer(s)	Emily Hill, Strategic Director Resources
Author(s)	Alysha Ludhra, Commercial Estate Surveyor
Portfolio(s)	Councillor Shital Manro, Cabinet Member for Good Growth and New Housing
For Consideration By	Jessica Tamayao, Assistant Director of Strategic Property and Investment
Date to be Considered	16 May 2024
Implementation Date if Not Called In	29 May 2024
Affected Wards	Dormers Wells
Keywords/Index	Commercial Lease, GEL, Greenford Depot

Purpose of Report:

To seek approval for the grant of a new lease within the Greenford Business Service Centre, Greenford Depot for a term of 10 years to Greener Ealing Ltd, backdated to 1 April 2024.

1. Recommendations for DECISION

1.1 To approve a new 10-year lease to Greener Ealing Ltd (GEL) for occupation of ground floor of the premises known as Greenford Business Service Centre Greenford Depot for a period of 10 years from 1 April 2024.

2. Recommendations for NOTING

None.

3. Reason for Decision and Options Considered

Since 2020, GEL have occupied part of Greenford Depot, utilising office space and operating the waste and recycling areas around the depot.

Previously, the ground floor of the Greenford Business Service Centre was leased to a third party occupier who provided parking control services across the borough.

From 1 April 2024, GEL took over the parking control services contract, and will remain in the premises until expiry of the new lease or expiry of the service contract (subject to the Landlord serving prior notice)

A licence was initially granted to enable GEL to occupy the ground floor of the Greenford Business Centre, however, this will end upon completion of the Lease, which will be backdated to 1 April 2024.

A plan of the new demise is detailed within **Appendix 1 – GEL Parking Enforcement Plan of Demise**.

A draft Heads of Terms for the Lease is within **Confidential Appendix 2 – GEL Parking Enforcement HOTs**.

Carter Jonas, the council's valuer, has confirmed the letting will represent best consideration in line with Section 123 of the Local Government Act 1972, see **Confidential Appendix 3 – Recommendation report GEL Parking Enforcement**.

4. Key Implications

The council's wholly owned company, GEL, will have the ground floor of the Business Service Centre for a term of ten years with a tenant break option at year 5. The lease will also be co-terminus with service provision.

The letting ensures that the council's commercial premises are being managed in an efficient manner, reducing the number of void properties within the portfolio. Consequently, reducing holding costs and risk to the council and generating income.

5. Financial

Full financial information is commercially sensitive and is contained within **Confidential Appendix 3 – Recommendation report GEL Parking Enforcement**.

6. Legal

The Assistant Director of Strategic Property and Investment has authority to dispose of land on a lease for 25 years or less pursuant to paragraph 3.2 of section 8.8 of Part 8 of the Constitution provided that the terms are certified by the valuer to be the best consideration reasonably obtainable. In this case the council is achieving best consideration as demonstrated by the recommendation report at Appendix 3. The proposed lessee has been occupying the property pursuant to a licence pending this decision.

7. Value For Money

The property is let at market rent in line with other lettings within the area. Our valuers have confirmed that the rent represents best consideration please see **Confidential Appendix 3 – Recommendation Report**.

8. Sustainability Impact Appraisal

Granting of this lease will ensure that the property is maintained and does not fall into disrepair. This will extend the economic life of the property and therefore sustainability.

9. Risk Management

The council regularly rents out its portfolio and the site will be managed in accordance with the embedded processes and procedures to manage tenants.

10. Community Safety

No impacts.

11. Links to the 3 Key Priorities for the Borough

Tackling the climate crisis - As part of granting the lease, the council will carry out works to improve the property including installation of new air-conditioning which will enhance the energy efficiency and therefore reduce the carbon impact.

This lease allows for consolidation of sites and therefore reduces the amount of travel required by the service (compared to if based at multiple sites).

Creating Good Jobs – This new lease will ensure that jobs GEL can continue to operate within the borough and creates potential for new jobs.

12. Equalities, Human Rights and Community Cohesion

None

13. Staffing/Workforce and Accommodation implications:

None.

14. Property and Assets

Greenford Business Service Centre will have a new commercial tenant for a minimum of 5 years.

15. Any other implications

None.

16. Consultation

None.

17. Timetable for Implementation

The lease will be entered into following the implementation date.

18. Appendices

- Appendix 1 – Plan of Demise
- Confidential Appendix 2 – HOTs
- Confidential Appendix 3 – Recommendation Report

19. Background Information

None.

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph
Internal				
Alice Rowland	Head of Commercial Legal			Throughout
James Huggett	Interim Finance Manager			Throughout
Gina Cole	Assistant Director Parking Services			Throughout
External				
Carter Jonas	The council's valuer			Confidential Appendix 3.

Report History

Decision type:	Urgency item?
Key decision	No
Report no.:	Report author and contact for queries:
	Alysha Ludhra, Commercial Estate Surveyor