



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Officer Delegated Decision

6 March 2024

Richard Wyles - Deputy Chief
Executive & S151 Officer



Surrender of Existing and Grant of New Lease for Grantham Senior Citizens Centre, Welham Street, Grantham, NG31 6QQ

To give approval to accepting a surrender of the existing lease for the Grantham Senior Citizens Centre and the regrant of a new fifty-year lease.

Contact

Gareth Dawkins - Corporate Property Services

 Gareth.dawkins@southkesteven.gov.uk

Decision made by:	Richard Wyles (Deputy Chief Executive & S.151 Officer)
Decision:	To grant approval to for accepting a surrender of the existing and the granting of a new lease for the Grantham Senior Citizens Centre, Welham Street, Grantham, NG31 6QQ
Public or Exempt:	This report is not exempt from publication; however, Appendices 1 and is exempt from publication
Reasons for exemption:	The public interest in maintaining the exemption in Appendix 1 outweighs the public interest in disclosing the information because it contains financial information relating to confidential negotiations with a third party and the Council must be able to undertake such negotiations without thereby putting confidential items in the public domain if it is to maintain the confidence of third parties in undertaking dealings with the Council
Conflicts of interest:	No
Policy compliant:	Yes
Details of delegation:	Part 3C 26(g) of the Constitution (November 2023) Part 3 26(g) of the Constitution delegates the Chief Executive,

	Deputy Chief Executive, relevant Director and any other officers they authorise in writing as being appropriately qualified and trained to arrange lettings (in excess of seven years) of land and property not immediately required for other purposes at rent/license fees fixed by the Section 151 Officer, providing that the total cost of the lease in its entirety does not exceed £100,000
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1. Implications

Finance

- 1.1 There are no specific financial comments arising from this report. The lease terms remain unchanged from the current lease arrangements.

Completed by: Alison Hall-Wright, Deputy Director of Finance and ICT

Legal and Governance

- 1.2 Local authorities are given general powers under the Local Government Act 1972, to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements, subject to certain legal constraints. A disposal such as the lease proposed in this report must be for the best consideration reasonably obtainable, as set out in section 123 Local Government Act 1972, unless the Secretary of State consents to the disposal.
- 1.3 Under section 123 of the Local Government Act 1972, the Authority has an obligation to secure the best consideration reasonably obtainable when disposing of property by way of a lease for more than seven years. This obligation can be waived with the consent of the Secretary of State, who has given a General Consent to such disposals where, in the reasonable opinion of the Local Authority, the disposal is for the social, economic or environmental benefit of the inhabitants of the Authority's area or any of them.

Legal Implications reviewed by: Mandy Braithwaite, Legal Executive

2. The Purpose of the Report

- 2.1 To seek approval to accepting a surrender of the current lease of the Grantham Senior Citizen Club and the simultaneous grant of a new extended lease. As Detailed in the attached **Exempt Appendix One – Heads of Terms**

3. Available Options Considered

- 3.1 Option 1) To proceed with the new lease as detailed in the attached **Exempt Appendix One – Heads of Terms**

3.2 Option 2) To leave the current lease in place for the remainder of its term.

4. Preferred Option

4.1 Option 1) To proceed with the surrender and regrant as detailed in ***Exempt Appendix One.***

5. Reasons for the Decision

5.1 The Grantham Senior Citizen and Community Club Ltd has a further 20 years to run of the term of the current lease.

5.2 The Club are keen to carry out physical improvements to make improvements to the building. In order to apply for grant funding, the Trustees need to show that they have a legal interest in the building of at least twenty years, plus the time in which to make any such applications.

5.3 In order to support the Club's future ambitions, terms have been agreed at Exempt Appendix One, to take a surrender of the existing lease, together with the simultaneous grant of a new longer lease.

6. Consultation

6.1 No formal public consultation is required.

7. Appendices

7.1 List any Appendices.

7.1.1 Exempt Appendix One – Heads of Terms

Signed by: **Richard Wyles**

Dated: **6 March 2024**