



# City of Westminster **Cabinet Member Report**

<b>Decision Maker:</b>	Cabinet Member for Finance and Council Reform
<b>Date:</b>	24 November 2022
<b>Classification:</b>	For General Release save for the Confidential Appendix under Schedule 12A Part 1 Local Government Act 1972 (as amended)
<b>Title:</b>	Mayfair Library, 25 South Audley Street – Lease Extension
<b>Wards Affected:</b>	West End
<b>Key Decision:</b>	No
<b>Policy Summary:</b>	This decision will secure a valuable community asset for ongoing use
<b>Financial Summary:</b>	The proposal is to renew the Council's lease for a term of 10 years from 28 September 2022, subject to a 5th year tenant only break option. The commencement rent will be £135,000 p.a. subject to a 5 <sup>th</sup> year upwards only rent review to open market value.
<b>Report of:</b>	Claire Barrett – Director of Property and Strategic Asset Management

## **1.0 Executive Summary**

- 1.1 The purpose of this report is to recommend terms for the renewal of the Council's lease of Mayfair Library, further to the expiry of the current lease term on 28 September 2022.
- 1.2 The asset sits in the General Fund.

## **2.0 Recommendation**

- 2.1 That the Cabinet Member for Finance and Council Reform;
  - 2.1.1 approves that Appendix A of this report be exempt from disclosure by virtue of the Local Government Act 1972, Schedule 12A, Part 1, paragraph 1 (in that it contains information relating to an individual) and also paragraph 3 (in that it refers to the financial or business affairs of others (including the authority holding that information)).

2.1.2 approves the renewal of the Council's lease of Mayfair Library, 25 South Audley Street, London, W1 from 28 September 2022 on the terms in the exempt Appendix A.

### **3.0 Reasons For Decision**

3.1 The Council's current lease of Mayfair Library expired on 28 September 2022. As the lease falls within the protection of the 1954 Landlord and Tenant Act it has continued beyond expiry as a statutory tenancy. Terms have been agreed to renew the Council's lease for a further 10 years in line with the Council's wider library service strategy.

### **4.0 Background including Policy Context**

4.1 Mayfair Library is a period building arranged over basement, ground and 2 upper floors. The main library is located at ground floor. The basement is a mix of ancillary/office accommodation and a self-contained 2/3-bedroom flat accessed via a pavement lightwell. The first floor is currently used by the WCC Registry service for wedding ceremonial purpose and the second floor comprises a further 3-bedroom flat accesses via the main library entrance/stair core.

4.2 The building is currently held on a lease from Grosvenor West End Properties. The lease term expired on 28 September 2022 and continues as a statutory tenancy pending agreement of new lease terms. The rent payable under the current lease is £125,000 p.a.

4.3 Mayfair Library was identified in a recent Library Strategy review as an important local community building/service and one to be retained. After a period of negotiation, terms have been agreed with the landlord for the renewal of the lease for a term of 10 years. A detailed summary of the agreed terms is contained in the exempt Appendix A.

### **5.0 Financial Implications**

5.1 The budgeted rent for Mayfair Library is £128,800. The increase in rent to £135,000 will necessitate an increase in budget of £6,200 which can be met from savings elsewhere in the Corporate Property budget.

5.2 The rent payment covers both the area of the building used to provide library/ ceremony services and residential flats. Currently no income is budgeted for residential income from the flats. However, if the flats can be let following the lease renewal, this will reduce the net cost to the council of operating from this building.

### **6.0 Legal Implications**

6.1 The Public Libraries and Museums Act 1964 makes provision for regulating and improving library services. Section 7(1) sets out the duty of every library authority to provide a "*comprehensive and efficient library service for all persons desiring to make use thereof*". Section 7(2) provides that, in fulfilling its duties, a library authority should have regard to the desirability "*of securing ....by any other appropriate means*" that facilities are available for the borrowing of, or reference to, books and other printed matter, pictures, records, films and other materials in sufficient number, range and quality to meet the general requirements and any special requirements of adults and children.

- 6.2** Section 1 of the Localism Act 2011 provides a “general power of competence” for local authorities, defined as “the power to do anything that individuals generally may do” and which expressly includes the power to do something for the benefit of the authority, its area or persons resident or present in its area. The General Power of Competence states that a local authority may do anything a person can do so long as it is not specifically prohibited (under that Act or other legislation not prohibited).
- 6.3** The Council has the power to acquire the lease under section 120 of the Local Government Act 1970 (“1970 Act”). A local authority may acquire by agreement any land, whether situated inside or outside their area, for any purpose for which they are authorised by the 1970 Act (or any other enactment to acquire land) notwithstanding that the land is not immediately required for that purpose; and, until it is required for the purpose for which it was acquired, any land acquired under this subsection may be used for the purpose of any of the Council’s functions. Where a lease will be contracted within the provisions of Sections 24-28 of the Landlord and Tenant Act 1954 i.e. security of tenure, this essentially means that the tenant will have the statutory right to request a new lease, on the same terms as it had before, after the original term of their lease has expired.
- 6.4** Given the lease is for 10 years, there may be stamp duty land tax (SDLT) implications which need to be paid on completion of any new lease the Council enters into. Any SDLT payable will be after the lease completes and will be in accordance with the current rates and thresholds prescribed by HM Revenue and Customs.

## **7.0 Carbon Impact**

- 7.1** Securing the lease of this property for a further 10 years will enable the Council to include the building within future phases of the Carbon Management Programme (Re:fit). Whilst the project is still at the feasibility stage, the building has been identified as having significant potential for decarbonisation through a number of measures including an upgrade to lighting, BEAMS, glazing, the heating system and pipework insulation.

## **8.0 Consultation**

- 8.1** Ward Councillors and the Cabinet Member for Young People, Learning and Leisure have been consulted in advance of this decision and no objections to the recommendation were registered.

## **9.0 Equalities**

- 9.1** The Equality Act 2010 requires public authorities to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations. The Council must further take into account its wider public sector equality duty under section 149 of the Equality Act 2010 when making decisions.
- 9.2** The lease renewal will help benefit the community and support all residents with varying characteristics, as required as a library authority under the Public Libraries and Museums Act 1964, therefore the lease renewal will have a positive impact on individuals within community and their needs.

If you have any queries about this Report please contact: Claire Barrett  
[c.barrett@westminster.gov.uk](mailto:c.barrett@westminster.gov.uk)

**APPENDICES** - Appendix A (exempt from publication)

**BACKGROUND PAPERS** - N/A

For completion by the **Cabinet Member for Finance & Council Reform**

**Declaration of Interest**

I have no interest to declare in respect of this report

Signed:  Date: 24 November 2022

NAME: **Councillor David Boothroyd**

State nature of interest if any: \_\_\_\_\_

*(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)*

For the reasons set out above, I agree the recommendation(s) in the report entitled “**Mayfair Library, 25 South Audley Street – Lease Extension**” and reject any alternative options which are referred to but not recommended.

Signed: 

Cabinet Member for Finance & Council Reform

Date: 24 November 2022

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment: \_\_\_\_\_

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.