

City of Westminster Report

Meeting or Decision Maker:	Cabinet Member for Finance and Smart City	
Date:	13 April 2022	
Classification:	For General Release save for the Appendix Restricted under Schedule 12A Part 1 Local Government Act 1972 (as amended)	
Title:	Commercial Letting of 11-21 Bravington Road, London W9	
Wards Affected:	Queen's Park	
City for All/Policy Context:	This decision supports the City for All objectives in securing a valuable income stream that can be used to help deliver the Council's strategy.	
Key Decision:	No	
Financial Summary:	The commercial terms of the proposed letting are included in the Confidential Appendix. The letting will deliver a long-term income, collected by the Council, to support future service provision.	
Report of:	Claire Barrett – Director of Property and Strategic Asset Management	

1.0 Executive Summary

1.1 This Cabinet Member Report recommends the disposal by way of a lease of 11-21 Bravington Road, London W9 to a nursery operator, N Family Club on the basis of a 25-year lease on the commercial terms detailed in the separate restricted appendix.

2.0 Recommendation

2.1 To approve the grant of a 25-year lease to N Family Club on the Heads of Terms within the Confidential Appendix.

3.0 Reasons for the decision

3.1 Under the WCC Constitution Cabinet Member approval is required where the initial rent under a lease is in excess of £125,000 per annum which applies in this case.

4.0 Background

- **4.1** The subject property is a self-contained former school building located at the south end of Bravington Avenue, close to the junction with Harrow Road. The property is owned freehold by the Council. The accommodation is arranged over the ground floor and extends to 4,200 sq ft (gross internal area). There is parking for 2-3 cars and a large children's play area to the front and side of the building.
- **4.2** The property was previously let to The Learning Disability Network who operated the site as the Rainbow Family Centre (nursery provision). They vacated the site at the end of 2021.
- **4.3** The Council's Corporate Property department placed the property back on the market in February 2022 via specialist nursery letting agency, Bernard Gordon. Offers were received from 7 nursery providers. At this pre-contract stage the details of these offers are confidential and are discussed in a separate Confidential Appendix.
- **4.4** The property sits in the General Fund.

5.0 Financial Implications

5.1 This letting will eradicate WCC's vacant holding costs and deliver a significant income that will contribute to achieving the Corporate Property investment income target. Income from Property goes to support council services.

6.0 Legal Implications

- **6.1** The Council has the power to enter into the proposed arrangements under section 1 of the Localism Act 2011 (the "General Power of Competence"). 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). A local authority may exercise the General Power of Competence for its own purpose, for a commercial purpose or for the benefit of others.
- 6.2 Local authorities are given further 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. The only constraint is that a disposal must be for the best consideration reasonably obtainable (except in the case of short tenancies), unless the Secretary of State consents to the disposal (section 123, LGA 1972). The rental due to be paid under the lease is in excess of the leasing agents premarketing rental valuation and was determined via an open marketing exercise so the requirement to obtain best consideration has been satisfied.

6.3 If the lease is within the Landlord and Tenant Act 1954 (the Act) then the Council is obliged to offer a new lease to the tenant on similar terms at the end of the term. If not within the Act, the Council can take the property back at the end of the term without an obligation to grant a new lease. This gives the Council flexibility on what it may wish to do with the site in the future

7.0 Carbon Impact

7.1 There is no carbon impact from this decision which relates to the reletting of an existing WCC investment property.

8.0 Consultation

8.1 A Briefing note explaining the reasons and letting details of the property was circulated to Ward Councillors on 5 April 2022.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Rupert Grass, rgrass@westminster.gov.uk

APPENDICES

Appendix A – Offer Analysis (restricted under Schedule 12A Part 1 of Local Government Act 1972)

BACKGROUND PAPERS

None

NB: For individual Cabinet Member reports only

For completion by the **Cabinet Member for Finance and Smart City**

Declaration of Interest

I have no interest to declare in respect of this report

Signed:		Date:	13 April 2022
NAME:	Councillor Paul Swaddle		
State natu	re 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 Commercial Letting of 11-21 Bravington Road, London W9 and reject any alternative options which are referred to but not recommended.

Signed:

Cabinet Member for Finance and Smart City

Date:

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 <u>not</u> 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.