

Record of Officer Decision

Grant of Lease at Abbey Park Cafe

Decision Taker and Date Decision Taken:

Director of Pride in Place on 23 November 2023.

Summary of Matter or Issue Requiring Decision:

That the Director of Pride in Place, in consultation with the Managing Director of the TDA, be authorised to grant an agreement for lease and 25 year lease for the café at Abbey Park, formerly known as One World Café, Torquay.

The café premises was tendered and two bids were received with one being from a service area of the Council. A preferred bidder was selected having offered a market rent under a 15 year lease.

Subsequent investigations demonstrated that the electrical supply to the building is significantly under powered and an upgrade is needed, it should be noted that any future tenant of the premises with a similar use would likely need such an upgrade, it is not specific to the incoming tenant's specific proposed use. Western Power quoted circa. £60,000 to undertake these upgrades, this cost is in addition to the tenant's planned investment in the building in terms of the kitchen and WC upgrade and general fit out.

As a consequence of the tenant's proposed substantial investment in the Council's asset and supporting infrastructure, it is proposed that a lease is granted for a term of 25 years with a reduced rent for the first 5 years of the lease and a rent free period of 6 months from the commencement of the lease. The rent will then revert back to a full market rent thereafter.

It is proposed that an agreement for lease will be entered into to document the works that will be undertaken to the Council's asset, with the lease itself being conditional on completion of those works.

The asset has been vacant for an extended period of time and interest was muted when tendering the opportunity. Since becoming vacant, given its secluded and sheltered position the asset has attracted rough sleepers and anti-social behaviour. It is therefore important that this building is brought back into meaningful use and the lease is granted.

Decision Taken:

An agreement for lease and 25 year lease on the terms detailed above be granted to the tenant as set out in Exempt Appendix 1, with the works to upgrade the electrics and fit out the premises being a condition of the grant of the lease.

Summary of Reason(s) for Decision Taken:

Torbay Council – Constitution Schedule 6 – Officer Scheme of Delegation.

2.10 The Chief Executive, Directors and Divisional Directors and Heads of Service may not authorise leases if, in the reasonable opinion of a fellow or member of the Royal Institute of Charter Surveyors (RICS), the market value of the premium exceeds £25,000 or if the market value of the rent (including any service charge) should exceed £10,000 per year, or (if a

transaction is linked to another transaction) where the aggregate relevant amounts exceeds those limits (this includes leases at a peppercorn rent).

Summary of Alternatives or Options considered and rejected and Background Papers:

The Council may choose not to grant a lease, however this would result in a lost opportunity to bring the premises back into use, and instead the requirement to invest in the site will remain, with the cost falling wholly on the Council.

Details of any conflict of interest and dispensation granted to the Officer taking the decision or by any Member of the Council in delegating responsibility for any specific express delegation:

None.

Implementation:

This decision will be implemented immediately.

A copy of this decision and any supporting documentation considered by the Officer taking this decision may also be available for inspection by the public at the Council's officers or posted upon payment of any copying and postage charges. Any member of the public wishing to take up either of these options is asked to please ring (01803) 207087 or email governance.support@torbay.gov.uk

Signed: _____ Date: _____
(Director of Pride in Place)