

Report title: Leasing of Commercial Business units at Unit D, Westfield Business Park, Long Road, Paignton, TQ4 7AU

Report to: Cabinet

Date: 17 August 2026

Lead Cabinet Member: Cllr Chris Lewis, Place Development and Economic Growth

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Lead Director: Malcolm Coe, Director of Finance

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Wards affected: Collaton St Mary

1. Summary of Report:

- 1.1 To seek authorisation to let the four new business units at Unit D, Westfield Park at a market rent and on commercial lease terms as and when suitable tenants are identified.
- 1.2 In the opinion of an RICS surveyor the market rent for each individual unit is in excess of £50,000 p.a. and so in accordance with the Officer Scheme of Delegation, entering into a lease for each unit is a Cabinet decision. It is proposed authority to agree terms for each unit is delegated to the Director of Finance to prevent delays to the letting process and consequently any delays to the income the Council will receive once a unit is let.

2. Recommendations and Proposed Decision:

- 2.1 That delegated authority be given to the Director of Finance to negotiate detailed terms, including the market rent, of the first lease granted at each unit at Unit D, Westfield Business Park, Long Road, Paignton.

3. Reasons for Recommendations/Proposed Decision:

- 3.1 The reasons for the proposal and need for the decision are that the market rent for each unit is in excess of £50,000 p.a. and therefore requires Cabinet approval in accordance with the Council's Officer Scheme of Delegation.
- 3.2 The proposals in this report help us to deliver our vision of a healthy, happy and prosperous Torbay by fully utilising the opportunity of leasing these four units to businesses that are in need of business premises. Benefits include:
- Increasing employment in the local area
 - Increasing investment in this district of Torbay
 - Managing these units on a commercial basis, minimising void periods and encouraging occupancy of businesses will meet the funding criteria

4. Background and Context:

- 4.1 Torbay Council Strategic Asset Management Plan sets out the Council's approach to the strategic management of its assets, how it will support service delivery, provide the Council with income and how it will fulfil its mission to support, enable and empower its residents, our communities and our partnerships, to promote growth and place shaping within Torbay.
- 4.2 Torbay Council purchased Unit D, Westfield Business Park in April 2026 and are investing a large capital sum in renovating the existing building to create two laboratories and two offices. The building will be specifically targeted at growing a Hi-Tech cluster within Torbay and will be leased to Hi-Tech companies only.
- 4.3 The acquisition of Unit D, Westfield Business Park, is part of a long term strategy to grow services within this sector in Torbay. Working in collaboration with South Devon College, companies from EPIC continue their growth within the Hi-Tech sector into these larger premises at Unit D.

5. Alternative Options Considered:

- 5.1 The Council has purchased this building to develop four new units to increase employment in the area. Previous decisions involving the asset have not provided authority to agree and grant terms for occupation by tenants. The units have been designed to meet the demand for business use for the Hi-Tech sector and are to be commercially leased. The benefit is also that the Council can best achieve employment aims, by retaining control of the units and selecting which businesses can use them. Therefore, a freehold disposal has been discounted.

- 5.2 The other option is not to let out these properties on a commercial basis. This will increase the Council's void costs and extend the period before the Council can gain any rental income. This is a significant disadvantage to the Council in terms of lost revenue and void costs and so has been discounted.

6. Contribution to Council Priorities:

- 6.1 The decision to grant authority of agreeing lease arrangements to the Director of Finance will increase the efficiency of the process of agreeing commercially advantageous leases to the Council. By securing these leases, the Council's liability of ongoing management and cost of holding vacant assets will reduce, whilst also generating long term revenue streams.

7. Consultation and Engagement:

- 7.1 There has been no formal consultation or engagement regarding the authority to grant commercial leases for this unit.

8. Implications:

Financial Implications:

- 8.1 The Council's Asset Management Strategy states that the Council will 'always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest'. The expected lease value has been provided by a RICS accredited surveyor via analysis of comparable market rents achieved.

Legal Implications:

- 8.2 There are no legal implications anticipated with this instruction. A lease of any of the four units will need to be documented, along with agreements for lease. These leases will be dealt with by the Council's Legal Property Team where capacity allows, otherwise it will be outsourced.

Corporate Parenting/Children and Young People:

- 8.3 No impacts are anticipated with the authorisation power for lease engagement. The building is currently unoccupied and does not provide any service to children or young people

Associated Risks, Risk Tolerance Level and Mitigations:

A summary of key risks associated with the recommendations in this report are:

1. Financial Risk – mitigated through attaining revenue around market rents.
2. Missed Development Opportunity – monitored through legal practices.

The risks of not approving the recommendations include delaying the development process which will have cost implications to the overall project and delay revenue streams. Overall risk exposure is assessed as acceptable within the Council's risk tolerance appetite.

Full risks are set out below:

Risk	Risk score before mitigations (likelihood x impact)	Mitigations	Risk Score after mitigations (likelihood x impact)	Risk tolerance
Project Risk effecting delivery	9	Transferring authoritative powers to the Director of Finance will allow them to agree leases to meet project deadlines.	4	By preventing delays to the letting and development process we consequently reduce delays to the income the Council will receive once a unit is let.
Not enabling leases to be granted at market rent	9	The premises will remain vacant and held by the Council, with the Council incurring significant void costs.	1	Negotiations already on-going with 2 parties to occupy the space, before the asset has been formally brought to the market.

Contributions to tackling climate change or achieving carbon neutrality:

8.4 There are no significant changes to climate change as a result of this decision.

Social Value Considerations:

8.5 Development of the site will increase employment opportunities in Torbay.

Procurement Implications:

8.6 There are no significant implications as a result of this decision.

Other Implications:

8.7 There are no significant implications as a result of this decision.

9. Equalities Impact Assessment:

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Age	18% of Torbay residents are aged under 18 years old. 55% of Torbay residents are aged between 18 to 64 years old. 27% of Torbay residents are aged 65 and older.	Due to the job creation opportunities at these 4 units, it will have a positive impact on people aged 18-64	Not applicable	Not applicable
Carers	- At the time of the 2021 census there were 14,900 unpaid carers in Torbay. 5,185 of these carers provided 50 hours or more of care.	No adverse impact	Not applicable	Not applicable
Care experienced	As of January 2026, there were 277 former care experienced young people aged 18-24 in Torbay.	No adverse impact	Not applicable	Not applicable

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Disability	In the 2021 Census, 23.9% of Torbay residents answered that their day-to-day activities were limited a little or a lot by a physical or mental health condition or illness.	No adverse impact	Not applicable	Not applicable
Gender reassignment	In the 2021 Census, 0.4% of Torbay's community answered that their gender identity was not the same as their sex registered at birth.	No adverse impact	Not applicable	Not applicable
Marriage and civil partnership	Of those Torbay residents aged 16 and over at the time of 2021 Census, 44.2% of people were married or in a registered civil partnership.	No adverse impact	Not applicable	Not applicable
Pregnancy and maternity	Between 2013 and 2024, the rate of live births (as a proportion of females aged 15 to 44) has been	No adverse impact	Not applicable	Not applicable

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	slightly but significantly higher in Torbay (average of 56.0 per 1,000) than the Southwest (53.4) and broadly in line with England (56.3). For the period 2022 to 2024, rates in Torbay (44.6) have been significantly below England (50.0).			
Race	In the 2021 Census, 96.1% of Torbay residents described their ethnicity as the following: 1.6% as Asian, Asian British or Asian Welsh 0.3% as Black, Black British, Black Welsh, Caribbean or African 1.5% as being of Mixed or Multiple ethnic groups 96.1% as White 0.4% described their ethnicity another way.	No adverse impact	Not applicable	Not applicable

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	Black, Asian and minoritised ethnic communities are more likely to live in areas of Torbay classified as being amongst the 20% most deprived areas in England.			
Religion and belief	The 2021 Census showed that the residents in Torbay identify their religion and/or belief as the following; 48.5% are Christian 0.4% are Buddhist 0.2% are Hindu 0.6% are Muslim - Less than 0.1% are Sikh 0.1% are Jewish 0.7% have another religion 43.2% have no religion 6.3% did not answer	No adverse impact	Not applicable	Not applicable

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Sex	51.3% of Torbay's population are female. 48.7% of Torbay's population are male.	No adverse impact	Not applicable	Not applicable
Sexual orientation	In the 2021 Census, residents described their sexuality as follows; 89% as Straight or Heterosexual 1.7% as Gay or Lesbian 1.1% as Bisexual 0.1% as Pansexual 0.1% described their sexuality another way 7.4% of people didn't answer the question	No adverse impact	Not applicable	Not applicable
Armed Forces Community	- In 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. - In Torbay, 5.9% of the population have	No adverse impact	Not applicable	Not applicable

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
	previously served in the UK armed forces.			
<i>Additional considerations:</i>				
Socio-economic impacts (Including impacts on child poverty and deprivation)	Torbay is ranked as the 39th most deprived upper tier local authority in England in the Index of Multiple Deprivation 2025.	Leasing these four units to businesses will have a positive impact providing employment in the local area.	Not applicable	Not applicable
Public Health impacts (Including impacts on the general health of the population of Torbay)	For the five-year period 2020 to 2024, data shows there is a 6-year life expectancy gap between males who live in Torbay's least and most deprived areas and, a 3-year gap for females.	No adverse impact	Not applicable	Not applicable
Human Rights impacts		No adverse impact	Not applicable	Not applicable
Child Friendly (Children's Rights Impact Assessment (CRIA))		No adverse impact	Not applicable	Not applicable

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
considerations): <i>Summarise the CRIA considerations for this proposal, including which groups of children and young people may be affected (e.g., care experienced children/young people, care leavers, children with SEND), how their rights and best interests have been considered, and any engagement undertaken with children/young people and/or their representatives. Set out any mitigations to address identified adverse impacts and how these will be monitored.</i>				

10. Cumulative Council Impact:

10.1 None

11. Cumulative Community Impact:

11.1 None

12. Monitoring and Evaluation:

12.1 Legal services will agree the terms of the leases ensuring the Council is protected. This decision only grants authority to enter into the first lease agreements.

Appendices:

None

Background Documents:

None

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