

Lease renewal at St. Michael's Gate, Parnwell, Peterborough.

Councillor Peter Hiller: Cabinet Member for Strategic Planning and Commercial Strategy and Investments, and **Councillor Steve Allen:** Cabinet Member for Housing, Culture and Recreation

April 2020

Deadline date: May 1st 2020.

Cabinet portfolio holder: Responsible Director:	Councillor Peter Hiller, Cabinet Member for Strategic Planning Commercial Strategy and Investments, and Councillor Steve Allen, Cabinet Member for Housing, Culture and Recreation Peter Carpenter; Acting Corporate Director of Resources
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/13APR20/04.
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	YES There is an exempt annex with the financial details of the lease and associated costs.
Is this a project and if so has it been registered on Verto?	NO

R E C O M M E N D A T I O N S

The Cabinet Members are recommended to:

1. Approve the renewal of the lease at St Michael's Gate for a term of two years.
2. Approve associated professional fees and SDLT costs

1. PURPOSE OF THIS REPORT

- 1.1 1. This report is for Councillor Peter Hiller and Councillor Steve Allen to consider exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (q) and (b) respectively.
- 1.2 The attached report/background information is NOT FOR PUBLICATION in accordance with paragraph (s) 3 of Schedule 12A of Part 1 of the Local Government Act 1972 in that it contains information relating to financial information, namely financial information relating to St Michael's Gate. The public interest test has been applied to the information contained within the exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it as commercial negotiations regarding the purchase of this property are ongoing and therefore it is not appropriate for the financial details to be made public at this juncture

2. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	
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3. **BACKGROUND AND KEY ISSUES**

- 3.1
- PCC currently have a lease of 72 residential units at St Michael's Gate which is due to expire on 01 May 2020. These properties are used for temporary accommodation for the homeless.
 - A Cabinet Member's Decision Notice seeking approval to purchase the properties was approved in 2019. However, since that time, the Council has made good progress with reducing its requirement for temporary accommodation, meaning that a purchase is no longer justifiable.
 - By comparison to the other properties the Council are leasing for temporary accommodation, St Michael's Gate is the most expensive.
 - A two-year lease, will give the Council time to find alternative and cheaper accommodation or discharge tenants and is now considered the preferred strategy.

4. **CONSULTATION**

- 4.1 Ward councillors have been made aware of this transaction.

5. **ANTICIPATED OUTCOMES OR IMPACT**

- 5.1 Renewal of the Council's lease at St Michael's Gate for a term of two years.

6. **REASON FOR THE RECOMMENDATION**

- 6.1 This is the most cost effective option in meeting the Council's need for temporary accommodation.

7. **ALTERNATIVE OPTIONS CONSIDERED**

- 7.1
- The purchase of St Michael's Gate was considered. However, this option has been discounted in view of the Council's recently reduced requirement for temporary accommodation.
 - Exiting these properties entirely by the 1st May was an alternative option, however the need to rehouse all the tenants in such a short timeframe was seen as too onerous; the longer timeframe allows the Council to plan properly for rehousing the tenants.

8. **IMPLICATIONS**

Financial Implications

- 8.1 The financial implications will be covered in the exempt annex.

Legal Implications

- 8.2 A new two-year lease will need to be completed by 01 May 2020.

Equalities Implications

8.3 Not applicable.

Carbon Impact Assessment

8.4 The carbon impact of the lease renewal will not entail a change of management of these properties, which are managed by the landlord Stef & Philips. To that extent any carbon impact will be neutral.

9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

9.1 None.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

10.1 None.

11. APPENDICES

11.1 Appendix 1 Exempt annex with financial details.