

Chichester District Council

THE CABINET

3 May 2022

Delegation to Director of Growth & Place for lease values

1. Contacts

Report Author

Vicki McKay – Divisional Manager, Property & Growth

Telephone: 01243 534519 E-mail vmckay@chichester.gov.uk

Cabinet Member

Tony Dignum – Cabinet Member for Growth, Place & Regeneration

Telephone 01243 538585 Email tdignum@chichester.gov.uk

2. Recommendations

- 2.1. **That Cabinet recommend to Council that the Director for Growth & Place's delegation to enter into leases to a value of £60,000 per annum be increased to up to £100,000 per annum, until such time as the Constitution is updated and approved.**

3. Background

- 3.1. The Constitution currently provides for the Director of Growth & Place to enter into leases up to a value of £60,000 per annum, under delegate powers. This level has been in place for a number of years and is due for review as part of a wider update of the Constitution.
- 3.2. The current limit on lease value means that proposed lettings in excess of £60,000 per annum cannot be completed until such time as Cabinet authority is granted, resulting in delays and potential loss of tenants. The number of cases where a rental in excess of £60,000 per annum is low but those lettings are important to complete in a streamlined manner to secure occupiers who may have alternative premises under consideration.

4. Outcomes to be Achieved

- 4.1. The proposal will enable larger lettings to proceed in a timely manner and secure tenants for higher value Council premises.
- 4.2. Without this amendment to the delegation, lettings could still proceed, although any larger lettings could not proceed without Cabinet /Council authority.

5. Proposals

- 5.1. That the Director of Growth & Place be authorised to agree terms for lettings of premises in the Estates portfolio where the rental level does not exceed £100,000 per annum.

6. Alternatives Considered

- 6.1. Continue with the current delegation – this option would allow smaller to mid-sized lettings to complete, but larger lettings would be subject to Cabinet approval in each case. This builds in time and additional officer resource, increasing the risk of lettings not completing. It is therefore considered this option is not satisfactory.

7. Resource and Legal Implications

- 7.1. Resource will be required for individual lease negotiations and it is expected this will be undertaken using existing internal officer resources. Should any external agent be engaged in a marketing capacity, internal resource will still be required to oversee and manage any such instruction.
- 7.2. Legal services have advised on the current delegation to the Director of Growth & Place and have no concerns or issues with the proposal as set out in this report.

8. Consultation

- 8.1. No consultation has taken place as there is not considered to be a requirement for any consultation on the proposal.

9. Community Impact and Corporate Risks

- 9.1. If the delegation is not varied, individual reports will be required for any proposed letting in excess of the current delegation ceiling. This brings a risk of not completing lettings in a timely manner, leading to a delay in the receipt of revenue income.
- 9.2. There is a further risk that potential occupiers may go elsewhere if lettings cannot be completed without seeking Cabinet authority.

10. Other Implications

Crime and Disorder	None
Climate Change and Biodiversity	None
Human Rights and Equality Impact	None
Safeguarding	None
Health and Wellbeing	None
General Data Protection Regulations (GDPR)	None

11. Appendices

- 11.1. None

12. Background Papers

- 12.1. None