

**MAIDSTONE BOROUGH COUNCIL**

**CABINET MEMBER FOR CORPORATE SERVICES**

**REPORT OF HEAD OF BUSINESS IMPROVEMENT**

**Report prepared by: Christopher Finch**

**Date Issued: 26 November 2009**

**1. Extension of Existing Lease to Maidstone Sea Cadets**

1.1 Issue for Decision

1.1.1 To consider a request from Maidstone Sea Cadets to extend their current lease term by a further 5 years

1.2 Recommendation of Head of Business Improvement

1.2.1 That the Cabinet Member agrees to the request from Maidstone Sea Cadets to extend until 5<sup>th</sup> March 2019 the existing lease of the Master's Tower, to enable the Maidstone Sea Cadets to secure a much needed donation from Maidstone Lions.

1.2.2 That the Corporate Property Manager prepares draft Heads of Terms for a Deed of Variation permitting extension of the existing lease and to contain the following clauses:

- That the lease, by way of a Deed of Variation is extended to ten years from the commencement date of the existing lease
- That the Deed may vary the terms and conditions of the existing lease to fulfill any reasonable requests made by the Lions to enable the donation to be made
- That any works carried out by the Tenant arising from the donation are treated as alterations and repairs authorized by the Landlord

1.2.3 That the Head of Legal Services be instructed to prepare the Deed of Variation based upon the Heads of Terms compiled by the Corporate Property.

### 1.3 Reasons for Recommendation

- 1.3.1 Maidstone Sea Cadets occupy The Master's Tower by way of a lease for a term of 5 years at £4,000 per annum, effective 6<sup>TH</sup> March 2009 and determines 5<sup>th</sup> March 2014. The premises is in a poor state of repair, outdated and requires considerable work to raise it to a standard suitable and fit for purpose.
- 1.3.2 Maidstone Lions wish to offer a gift of £10,000 to the Maidstone Sea Cadets in order for improvements to the building to be made.
- 1.3.3 Maidstone Lions are reluctant to offer the gift of £10,000 to Maidstone Sea Cadets based upon the length of the existing lease and are only prepared to offer this gift should a lease term of 10 years be available.

### 1.4 Alternative Action and why not Recommended

- 1.4.1 The Cabinet Member could choose not to grant an extension of the lease term to the Maidstone Sea Cadets, the Maidstone Lions would not, on that basis, be prepared to offer the gift of £10,000.
- 1.4.2 The Cabinet Member could consider relocation of the Sea Cadets to alternative premises, however no suitable premises with access to the River Medway has been identified.

### 1.5 Impact on Corporate Objectives

- 1.5.1 Extension of the lease term will ensure an injection of capital for the Maidstone Sea Cadets to help pay for upgrades and improvements to the building, so they may continue provision of education and training in nautical matters.

### 1.6 Risk Management

- 1.6.1 Agreeing a longer lease term with the Sea Cadets will mean that no alternative use of the building can be considered for the period of their occupation. The property has limited access and does not offer good facilities suitable for other uses, therefore agreement to extend the occupational term ensures one of the council's many heritage buildings remains occupied and in use.

1.7 Other Implications

1.7.1

1.	Financial	
2.	Staffing	
3.	Legal	x
4.	Equality Impact Needs Assessment	
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	
9.	Asset Management	x

1.7.2 Matters indicated above have been highlighted within the body of the report

**NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED**

Is this a Key Decision?      Yes            No     

If yes, when did it appear in the Forward Plan? \_\_\_\_\_

Is this an Urgent Key Decision?      Yes            No     

**How to Comment**

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

Cllr Richard Ash

Cabinet Member for Corporate Services

Telephone: 01622 730151

E-mail: richardash@maidstone.gov.uk

Christopher Finch

Corporate Property Manager

Telephone: 01622 602720

E-mail: christopherfinch@maidstone.gov.uk