

Report to Cabinet Member

Item No.

Report title:	Fakenham Library lease to Fakenham Town Council
Date of meeting:	Not applicable
Responsible Cabinet Member:	Cllr G Peck
Responsible Director:	Simon George Executive Director of Finance and Commercial Services
Is this a key decision?	No
Executive Summary/Introduction from Cabinet Member <p>Fakenham Town Council have secured external funding to deliver a heritage trail to provide an economic boost to the town. As part of the project, they have requested a lease of a small parcel of land owned by the County Council on the Fakenham Library site in order to site a map table, along with some street furniture and an enhanced planting scheme to improve the appearance of this gateway into the town. A 25-year ground lease is proposed to facilitate this project, at a peppercorn rent.</p> Recommendations <p>Authorise the Head of Property to enter into a 25-year ground lease to Fakenham Town Council.</p> Actions required <p>Not applicable.</p>	

1. Background and Purpose

- 1.1. This report relates to:
1029/015 : Fakenham Library
Oak Street, Fakenham, Norfolk, NR21 9DY
- 1.2 The County Council owns the freehold interest in the above property. The site provides a library and associated car parking, through which other County Council land is accessed. The site contains some landscaping areas, which are not used for operational purposes, but which are used by the public to access the site and the Council's adjacent sites.
- 1.3 Fakenham Town Council wish to improve the appearance of these landscaped areas and install a new map table and street furniture to improve the public realm on this gateway route into the town. They have secured LEADER funding toward this scheme, and the works need to commence in late May 2019 to keep the project on programme and secure the funding. A lease will need to be in place before any works can commence.

2. Proposals

- 2.1. It is proposed to grant a 25-year ground lease of the area outlined red on the attached plan on the following key terms:

- Tenant: Fakenham Town Council
- Lease Term: 25 years from completion
- Permitted use: As currently, so public access to be provided and maintained
- Rent: £1 per annum if demanded.
- Maintenance and operational risks and liabilities: Transfer to Tenant
- Break Option: NCC to have the right to break the lease after the first five years of the term if it requires to redevelop or dispose of the site.
- Works: Tenant to be obliged to deliver and maintain the proposed public realm enhancements.
- Yielding up: NCC can request reinstatement at the end of the term if required
- Alienation: Tenant cannot assign or sub-let.
- Rights reserved: NCC to be able to use the area as emergency muster point for library staff and users as currently

3. Impact of the Proposal

- 3.1 The County Council currently has a maintenance responsibility for the land. This will be passed to the Town Council for 25 years.
- 3.2 The County Council will have the right to terminate the lease if it wishes to redevelop or dispose of the site during the lease term, which will ensure the Council has flexibility to manage the property estate as required.

4. Evidence and Reasons for Decision

- 4.1. The proposal supports economic development in a key market town, whilst reducing the County Council's maintenance liability for the site and passing key risks and liabilities to the Town Council for the 25-year lease term.

5. Alternative Options

- 5.1. Due to the nature of the proposed use, the only alternative option is to decline the proposal and retain the property within the County Council estate, with NCC retaining the maintenance liability.

6. Financial Implications

- 6.1. There will be a small financial saving for the County Council through passing the maintenance liability to the Town Council.

7. Resource Implications

- 7.1. **Staff:**
Library staff currently use the area as an emergency muster point. The right to continue to do this will be reserved to NCC within the lease.
- 7.2. **Property:**
No significant impact as NCC will retain access to the site and will have ability to break the lease if it wishes to redevelop or dispose of the site.
- 7.3. **IT:**
None.

8. Other Implications

- 8.1. **Legal Implications:**

None.

8.2. Human Rights implications

None.

8.3. Equality Impact Assessment (EqIA) (this must be included)

An EqIA is not relevant for this decision as it will provide free public access to the site for all.

8.4. Health and Safety implications (where appropriate)

Fakenham Town Council will become responsible for the health and safety of users of the site being leased. They will be required to carry appropriate public indemnity insurance. NCC library staff will continue to have access to the site as an emergency muster point.

8.5. Sustainability implications (where appropriate)

Minimal impact. The enhanced planting scheme may have a mildly beneficial positive impact on air quality at the location.

8.6. Any other implications

Supporting economic development and enhancement of the public realm.

9. Risk Implications/Assessment

9.1. The proposal transfers management risk to the Town Council. There is a risk that the proposed tree may cause damage to adjacent structures but this risk rests with the Town Council and is mitigated by the requirement for them to obtain arborist advice on tree species and planting method.

9.2 NCC may inherit an increased maintenance liability for the land at the end of the lease term, especially owing to the tree. This is mitigated by the lease enabling NCC to require reinstatement of the land at the end of the lease if required.

9.3 The risks to NCC of entering into the transaction are considered to be small and acceptable.

10. Select Committee comments

10.1. Not applicable.

11. Recommendation

11.1. Authorise the Head of Property to enter into the proposed lease on the terms detailed above and on all other terms considered appropriate for this transaction.

12. Background Papers

12.1. Draft lease plan
Drawings showing proposed works

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

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