



RECORD OF CABINET PORTFOLIO HOLDER DECISION

Local Government Act 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Decision Ref. No.	PH069
Decision made by	Councillor Rob Bindloss Portfolio Holder for Growth & Prosperity
Decision Title	Cattle Market Lease Renewal
Key decision?	Yes
Date of decision (same as date form signed)	10 June 2022
Name and job title of Officer requesting the decision	James Morris Corporate Property & Asset Manager
Officer contact details	jmorris@melton.gov.uk
Decision	1. To approve terms for the lease renewal
Background	<p>The cattle market is operated by Gillstream Markets Limited under 2 leases granted from Melton Borough Council (MBC) as landlord. One lease relates to the Northern end of the site and includes the 2015 cattle market building, that lease "Cattle Market lease" is for a term of 20 years from 16 June 2017 that continues until 15 June 2037. The other lease "Opportunity Area" lease is for the Southern part of the site and was granted to Gillstream Markets Limited by MBC for a term of 5 years from 16 June 2017 until 15 June 2022. Under Schedule 4 of the "Opportunity Area" lease there is an Option to Renew on prescribed terms, for a set term of years from 16 June 2022 to 15 June 2027 on the same terms as the existing "Opportunity Area" lease save for any modernisation of wording. The notice that is required to exercise the option to renew was sent to Melton Borough Council by Gillstream markets Limited on 30th August 2018 and acknowledged by letter reply on 7th November 2018, noting the application to renew the lease under the terms of the option under schedule 4 of the lease.</p>
Reason for Decision/Main Considerations	<p>In accordance with the Council's Asset Management Plan (currently being updated) for its Corporate Assets, and in accordance with the Council's statutory duty to deliver 'best value' and following the recommendations of the 2022 Asset Management audit, lease agreements should be documented and renewed accordingly.</p>

<p>Alternative options rejected</p>	<p>1.Do nothing and not document a lease renewal. Rejected as it not best practice and is contrary to the council’s Asset Management Plan (currently being updated) and the Council’s duty to deliver ‘best value’ and contrary to the recommendations of the Asset Management 2022 audit to renew and document leases.</p>			
<p>Legal implications</p>	<p>The Council can enter into the reversionary lease pursuant to S.123 Local Government Act 1972 ie a power to dispose of land (including leasehold).</p> <p>The lease is contracted out from sections 24 to 28 of the 1954 Landlord and Tenant Act relating to Security of Tenure provisions and this means that the tenant will not have its statutory rights to a new lease under the Act. The effect of contracting out is that:</p> <ul style="list-style-type: none"> • The tenant has no right to remain in the property at the end of the lease. • The tenant must leave the property at the end of the lease unless the landlord offers a new lease • The tenant has no right to compensation from the landlord on leaving the property at the end of the lease. <p>The tenant has no right to ask the court to fix the rent if the landlord offers another lease</p> <p>Legal Approval - 7 June 2022</p>			
<p>Financial implications</p>	<p>The rent under the Cattle Market leases is calculated by percentages of income streams for the commercial activity that takes place at the Cattle Market. This proposed lease renewal for the “Opportunity Area” is on the same terms as the existing “Opportunity Area” lease.</p> <p>It is not an opportunity to negotiate new terms, the option to renew/extend by 5 years is based in the current lease terms and the terms of the option in the existing lease make that clear.</p> <p>Corporate Services Manager – 6 June 2022</p>			
<p>Other implications</p>	<p>None</p>			
<p>Background papers considered</p>	<p>None</p>			
<p>List consultees (Where applicable)</p>		<p>Name</p>	<p>Outcome</p>	<p>Date</p>
	<p>Ward Councillors</p>	<p>n/a</p>		
	<p>Human Resources</p>	<p>n/a</p>		
	<p>Equalities</p>	<p>n/a</p>		
	<p>Communications</p>	<p>n/a</p>		
<p>Confidential Decision?</p>	<p>n/a</p>			
<p>Call In Waived by Scrutiny Committee Chair? (Under urgency Procedures)</p>	<p>n/a</p>			
<p>Has this been discussed by</p>	<p>Yes</p>			

Cabinet Members?	
Cabinet Portfolio Holder Signature	Email approval received Councillor Rob Bindloss Portfolio Holder for Growth & Prosperity
Declarations/conflict of interest?	n/a

ONCE SIGNED, THIS FORM MUST BE HANDED TO DEMOCRATIC SERVICES IMMEDIATELY.

FOR DEMOCRATIC SERVICES USE ONLY		
Form Received	13 June 2022	
Date published to all Councillors	13 June 2022	
Call In Deadline	16 June 2022	