

Officer Non Key Executive Decision

Relevant Chief Officer (Decision Maker):	Alan Cavill, Director of Communications and Regeneration
Relevant Cabinet Member (for consultation purposes):	Councillor Lynn Williams, Leader of the Council
Report Author (Officer name and title):	Ian Morris-Illiffe, Head of Programme Management
Implementation Date of Decision:	9 June 2022

DISTURBANCE CLAIM FOR 33 CENTRAL DRIVE

1.0 Purpose of the report:

1.1 To authorise payment of the disturbance claim made by the sub tenant (barbers) of 33 Central Drive, Blackpool.

2.0 Recommendation(s):

2.1 To authorise payment of the disturbance claim made by the sub tenant (barbers) of 33 Central Drive, Blackpool

2.2 To delegate authority to the Head of Legal to enter into any proposed legal agreements relating to and flowing from the payment of the disturbance claim made by the tenant of the property noted at 2.1

3.0 Reasons for recommendation(s):

3.1 In order to secure the delivery of Blackpool Central development the Council has an obligation within the Land Sale Agreement (signed January 2020) to provide vacant possession of the site to the Developer. The Council own the freehold title of assets on the site with a small number of leasehold interests with third parties, predominantly contained within the King Edwards building along Central Drive

3.2 When the acquisition of the head lease is completed the Council will become the landlord to the sub tenant (barbers). Relocation of the tenant will enable vacant possession of 33 Central Drive to be obtained.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

4.0 Council Priority:

4.1 The relevant Council Priority is

- "The Economy: Maximising growth and opportunity across Blackpool"

5.0 Background Information

5.1 Blackpool Council has entered into a Land Sale Agreement with Developer Nikal Limited for the delivery of a large scale leisure-led regeneration scheme 'Blackpool Central'.

5.2 Under the terms of the Land Sale Agreement the Council are required to provide to the Developer with vacant possession of the land to enable and facilitate the delivery of the development.

5.3 In July 2021 the Council proceeded to make an application for the compulsory purchase of the remaining interests on the site, as approved in Executive Decision EX4/2021. The CPO application is currently with the government office for consideration and processing.

5.4 In parallel with the application for compulsory purchase, the council are continuing to negotiate with existing occupants on the site in effort to negotiate and acquire all remaining interests.

5.5 33 Central Drive is currently held by the head tenant, who has sublet the unit, and it is currently used as a barbers shop. The Council have negotiated with agents acting on behalf of the head tenant to acquire the head lease and terms have been agreed. An Officer Non Key Decision was approved on 23rd December for the acquisition of the Head lease.

5.6 Provisional agreement has been reached to relocate the sub tenant to nearby vacant Council owned premises at 45-49 Central Drive (see Appendix A), leading to the claim for disturbance associated with this proposed move.

5.7 Does the information submitted include any exempt information? Yes

6.0 List of Appendices:

Appendix A Estates Decision for the grant of a lease for 45-49 Central Drive

Appendix B Schedule of costs associated with fit out of alternative premises

7.0 Legal considerations:

7.1 The acquisition will be under section 227 Town and Country Planning Act 1990 ("the 1990 Act") for the purpose of facilitating the carrying out of development, redevelopment or improvement on or in relation to that Property.

7.2 On completion of the acquisition of 33 Central Drive, the Council will become landlord to the existing sub tenant. Heads of Terms for their relocation to the vacant Council owned 45-49 Central Drive have been agreed and approval is being sought to settle the disturbance claim.

8.0 Human Resources considerations:

8.1 None as a consequence of this report.

9.0 Equalities considerations:

9.1 None as a consequence of this report.

10.0 Financial considerations:

10.1 Executive Decision EX 22/2019 provided approval on a resources model to support the delivery of the Council's obligations with respect to Blackpool Central, including the acquisition of remaining interests.

10.2 The Council were anticipating further negotiations and additional costs in relation to compensation for the existing sub tenants' (barbers) move from 33 Central Drive to 45-49 Central Drive and the associated fit out of the alternative unit.

10.3 Appendix B provides an assessment of the costs which have been agreed between the Council and the sub tenants in relation to the fit out.

11.0 Risk management considerations:

11.1 The Council are looking to mitigate the risks of proceeding with the CPO to facilitate the delivery of Blackpool Central. The acquisition of 33 Central Drive and movement of the sub tenant (barbers) to 45-49 Central Drive will facilitate the council in moving forward and its ability to offer vacant possession of the site to the Developer.

12.0 Ethical considerations:

12.1 None.

13.0 Internal/ External Consultation undertaken:

13.1 Discussions at the Growth and Prosperity Board, together with consultation with the Council's Finance and Legal Departments.

13.2 The settlement figure is within the agreed maximum figure of £25,000 agreed at the Growth and Prosperity Board.

14.0 Decision of Chief Officer

14.1 To authorise payment of the disturbance claim made by the sub tenant (barbers) of 33 Central Drive, Blackpool.

14.2 To delegate authority to the Head of Legal to enter into any proposed legal agreements relating to and flowing from the payment of the disturbance claim.

15.0 Reasons for the Decision of the Chief Officer

15.1 In order to secure the delivery of Blackpool Central development the Council has an obligation within the Land Sale Agreement (signed January 2020) to provide vacant possession of the site to the Developer. The Council own the freehold title of assets on the site with a small number of leasehold interests with third parties, predominantly contained within the King Edwards building along Central Drive.

15.2 Authorising payment of the disturbance claim will assist with enabling vacant possession to be obtained.