

Officer Non-Key Executive Decision

Relevant Chief Officer:	Steve Thompson Director of Resources
Relevant Cabinet Member:	Councillor Mark Smith, Cabinet Member for Business, Enterprise and Job Creation
Report Author:	Paul Jones, Head of Property Services
Implementation Date of Decision:	4 October 2022

Renewal of Lease of The Beach House (part of Festival House, Promenade Blackpool FY1 1AP) to Blackpool Parks Ltd

1.0 Purpose of the report:

- 1.1 To advise of the terms agreed for the renewal of a lease to Blackpool Parks Ltd at the Beach House (part of Festival House, Blackpool Promenade FY1 1AP) - as two leases for both the Beach House and undercroft waste storage area for a period of 15 years.

2.0 Recommendation(s):

- 2.1 To grant two new leases for a period of 15 years from 1st October 2022, subject to a rent review after 5 and 10 years. A copy of the agreed terms is attached at Appendix A.

3.0 Reasons for recommendation(s):

- 3.1 To provide a long-standing tenant with continuity of tenure.

- 3.2 To secure income for a further 15 years.

- 3.3 Is the recommendation contrary to a plan or strategy adopted or approved by the Council?

No.

- 3.4 Is the recommendation in accordance with the Council's approved budget?

Yes.

- 3.3 Other alternative options to be considered: None, as the tenant has rights under the Landlord and Tenant Act 1954 to renew.

4.0 Council Priority:

4.1 The relevant Council Priority is;

- “The Economy: Maximising growth and opportunity across Blackpool.”
- “Creating Stronger Communities and Increasing Resilience”

5.0 Background Information

5.1 The tenant has occupied the premises since October 2012 and the unit is fitted out as a bar and restaurant, with outdoor terrace.

5.2 As the current lease is nearing an end, terms have been agreed for a new lease to provide both continuity of tenure for the tenant and comfort of a break clause for the Landlord in the event of any major breaches. A copy of the Heads of Terms is attached at Appendix A.

5.3 Does the information submitted include any exempt information? Yes

Heads of terms are commercially sensitive and Appendix A is to be removed prior to publication, along with financial details as outlined in Appendix B and referenced in section 9 of this report.

6.0 Legal considerations:

6.1 Subject to all relevant due diligence between legal representatives of both parties.

7.0 Human Resources considerations:

7.1 None.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 Please see confidential financial summary at Appendix B - which is commercially sensitive and not for publication.

10.0 Risk management considerations:

10.1 Whilst there is no provision for a Landlord break in the main restaurant area, a Landlord break clause can be applied to the undercroft waste storage area after 5 and 10 years, subject to six months’ notice.

11.0 Ethical considerations:

11.1 None.

12.0 Internal / External Consultation undertaken:

12.1 Liaison with all relevant internal and external stakeholders.

13.0 Decision of Chief Officer

13.1 To grant two new leases for a period of 15 years from 1st October 2022, subject to a rent review after 5 and 10 years. A copy of the agreed terms is attached at Appendix A.

14.0 Reasons for the Decision of the Chief Officer

14.1 To provide a long-standing tenant with continuity of tenure.

To secure income for a further 15 years.