

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 and Asset Management
Implementation Date of Decision:	16 May 2023

LEASE RENEWAL OF MODEL VILLAGE, EAST PARK DRIVE, BLACKPOOL

1.0 Purpose of the report:

1.1 To consider the lease renewal of Blackpool Model Village, East Park Drive to Model Village Ltd for a term of 20 years, as outlined in the attached Heads of Terms at Appendix A.

2.0 Recommendation(s):

2.1 To approve a renewed tenancy to Model Village Ltd to continue to operate the Blackpool Model Village from the site at East Park Drive in line with the proposed Heads of Terms and plan attached at Appendices A and B respectively.

3.0 Reasons for recommendation(s):

3.1 To secure significant rental income to the Council over a term of up to 20 years, supporting the continued operation of Blackpool Model Village as a long-standing tourist attraction, bordering Stanley Park and in close proximity to Blackpool Zoo.

3.1a The lease renewal has been agreed under the same terms as the previous agreement, with an increase in rent to market value in line with inflation.

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:

3.3.1 Not to renew the lease and market the site at East Park Drive for alternative use, or

develop it in-house as a complimentary expansion of the Stanley Park offer.

4.0 Council Priority:

4.1 The relevant Council Priority is

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

5.0 Background Information

5.1 Model Village Ltd have been operating the Blackpool Model Village from the East Park Drive site for over 50 years since 1971, and it is a well-known and loved attraction for visitors and residents alike.

5.2 Does the information submitted include any exempt information? Yes

Appendix A and Appendix C are confidential and not for publication.

5.3 List of Appendices:

Appendix A– Summary of Heads of Terms (Confidential)
Appendix B – area plan.
Appendix C - financial summary

Yes

5.4 Legal considerations:

Subject to due diligence and legal contracts.

6.0 Human Resources considerations:

6.1 None.

7.0 Equalities considerations:

7.1 None.

8.0 Financial considerations:

8.1 Details of the annual rent and total value of the lease are outlined in the financial summary at Appendix C.

9.0 Risk management considerations:

9.1 Subject to due diligence being carried out.

10.0 Ethical considerations:

10.1 None.

11.0 Internal/ External Consultation undertaken:

11.1 Due diligence undertaken between the landlord and tenant's solicitors in line with the proposed Heads of Terms shown at Appendix A.

11.2 Provision for break clauses initiated by the landlord at the 10th and 15th anniversary, to safeguard site for any future development plans.

12.0 Background papers:

12.1 None.

13.0 Decision of Chief Officer

13.1 To approve a renewed tenancy to Model Village Ltd to continue to operate the Blackpool Model Village from the site at East Park Drive in line with the proposed Heads of Terms and plan attached at Appendices A and B respectively.

14.0 Reasons for the Decision of the Chief Officer

14.1 To secure significant rental income to the Council over a term of up to 20 years, supporting the continued operation of Blackpool Model Village as a long-standing tourist attraction, bordering Stanley Park and in close proximity to Blackpool Zoo.