

BIRMINGHAM CITY COUNCIL

JOINT CABINET MEMBER AND CHIEF OFFICER

TUESDAY, 21 AUGUST 2018 AT 00:00 HOURS
IN CABINET MEMBERS OFFICE, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

A G E N D A

3 - 14

- 1 **RENEWAL OF LEASE OF 32 NEW STREET, 2/4 AND 6A**
CORPORATION STREET, BIRMINGHAM B2 4RQ

Report of Assistant Direct of Property (Interim)

P R I V A T E A G E N D A

- 2 **RENEWAL OF LEASE OF 32 NEW STREET, 2/4 AND 6A**
CORPORATION STREET, BIRMINGHAM B2 4RQ (PRIVATE)

Item Description

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to: LEADER OF THE COUNCIL JOINTLY
WITH CORPORATE DIRECTOR,
ECONOMY
Report of: ASSISTANT DIRECTOR OF PROPERTY (INTERIM)
Date of Decision: 17 AUGUST 2018
SUBJECT: RENEWAL OF LEASE OF 32 NEW STREET, 2/4 & 6A
CORPORATION STREET, BIRMINGHAM B2 4RQ

Key Decision: No
If not in the Forward Plan: Relevant Forward Plan Ref:
(please "X" box) Chief Executive approved ☐
O&S Chair approved ☐
Relevant Cabinet Member: Councillor Ian Ward – Leader of the Council
Relevant O&S Chair: Councillor Tahir Ali, Economy and Skills O&S
Committee
Wards affected: Ladywood

1. Purpose of report:

- 1.1 This report seeks authority to grant a lease renewal to the tenant of the property comprising ground floor & basement at 32 New Street and 2/4 & 6A Corporation Street, Birmingham B2 4RQ as shown edged black on the plan on Appendix 1.
- 1.2 The commercially confidential details relating to the proposed terms of the lease are set out within the Private Report.

2. Decision(s) recommended:

The Leader of the Council, jointly with the Corporate Director, Economy:-

- 2.1 Note this report.

Lead Contact Officer: Anser Suleman MRICS
Birmingham Property Services – Landlord & Tenant Surveyor
Telephone No: 0121 675 1468
E-mail address: anser.suleman@birmingham.gov.uk

3. Consultation

3.1 Internal

- 3.1.1 Ward Members for Ladywood have been consulted and no response was provided by the deadline of 15th June 2018 in the report moving forward to an executive decision, as shown in the Consultation Report in Appendix 2.
- 3.1.2 Officers from City Finance, Legal Services and Birmingham Property Services have been involved in the preparation of this report.

3.2 External

There will be no external consultation for this transaction.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

- 4.1.1 The grant of the lease contributes towards the strategic outcomes outlined in the Council Plan and Budget 2018', specifically to help deliver a balanced budget and contribute to the delivery of the Council's core vision and priorities in the Council's Vision and Forward Plan 2017. In addition, it helps fulfil the Council's overall strategic aim to review the estate and maintain income generation from non-operational assets.
- 4.1.2 The proposed lease renewal will allow the lessee to continue to provide a retail service to customers' requirements and employment to staff at the branch.

4.2 Financial Implications (How will decisions be carried out within existing finances and Resources?)

- 4.2.1 The proposal does not involve the taking up of any new financial commitments or risks. The revenue generated from the lease will contribute to the Council's budget and support the provision of Council services. Each party to bear its own costs.

4.3 Legal Implications

- 4.3.1 The power to acquire, dispose, manage assets in land and property is contained in Sections 120 and 123 of the Local Government Act 1972. The lessee has a right to renew their lease at a market rent under security provisions of the Landlord and Tenant Act 1954.

4.4 Public Sector Equality Duty (see separate guidance note)

- 4.4.1 An Equality Assessment (EA) screening has been undertaken and this confirms that a full Equality Assessment (Ref No: **EA002871**) is not required for the purposes of this report.
- 4.4.2 The grant of a new lease raises no equality issues, as referenced in the EA report (see Appendix 3).

5. Relevant background/chronology of key events:

- 5.1 The subject site forms part of the Council's Commercial Portfolio and is currently used as retail and employment services by Vodafone Limited for its customers, staff and visiting members of the public.
- 5.2 Authority is sought to grant a new lease to the lessee which is the lessee's statutory right under Landlord and Tenant Legalisation.
- 5.3 The details of the proposed terms of the new lease are set out in the Private Report.

6. Evaluation of alternative option(s):

- 6.1 Do nothing: The Council is entitled to renew the lease periodically to ensure that it is receiving best consideration for use of its assets. Likewise, the lessee is legally entitled to seek a renewed lease under the provisions of the Landlord and Tenant Act 1954 and as such the Council would be legally required to grant a new term or formally oppose a renewal under strict grounds. Officers are of the opinion that the Council have no grounds to oppose a renewal.

7. Reasons for Decision(s):

- 7.1 To renew the terms of the lease which are set out in the private version of the report.

Signatures

Date

Councillor Ian Ward
Leader of the Council

.....

Waheed Nazir
Corporate Director, Economy

.....

List of Background Documents used to compile this Report:

Relevant Officer's file(s) on the matter, save for confidential documents

List of Appendices accompanying this Report (if any):

Appendix 1 – Site Plan
Appendix 2 – Consultation Report
Appendix 3 – EA reference EA002871

Report Version Final

Dated 15 August 2018

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

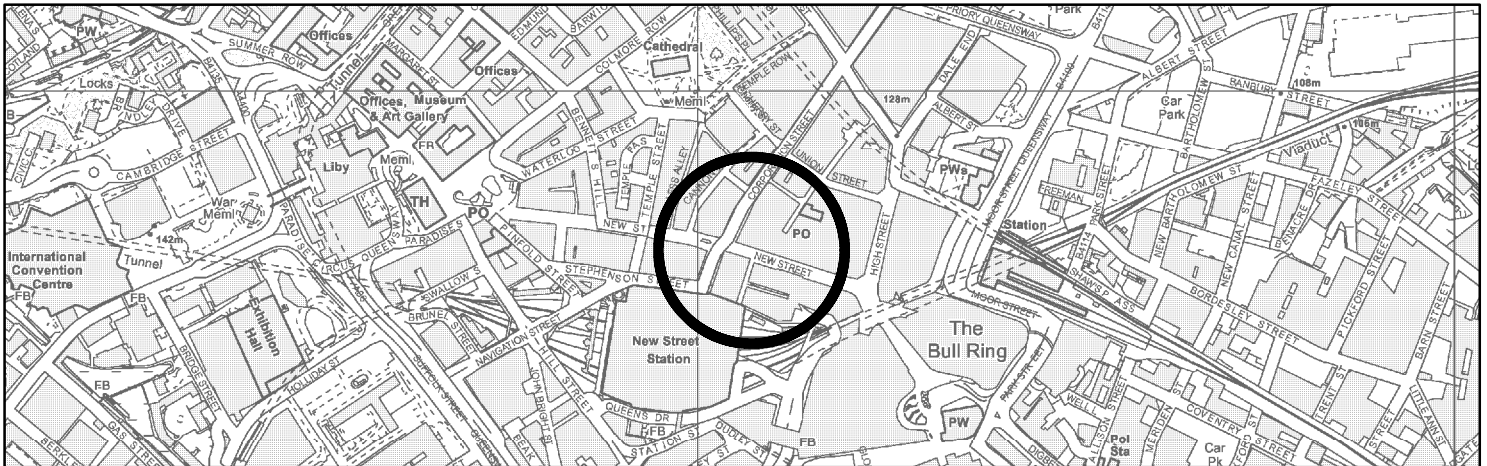
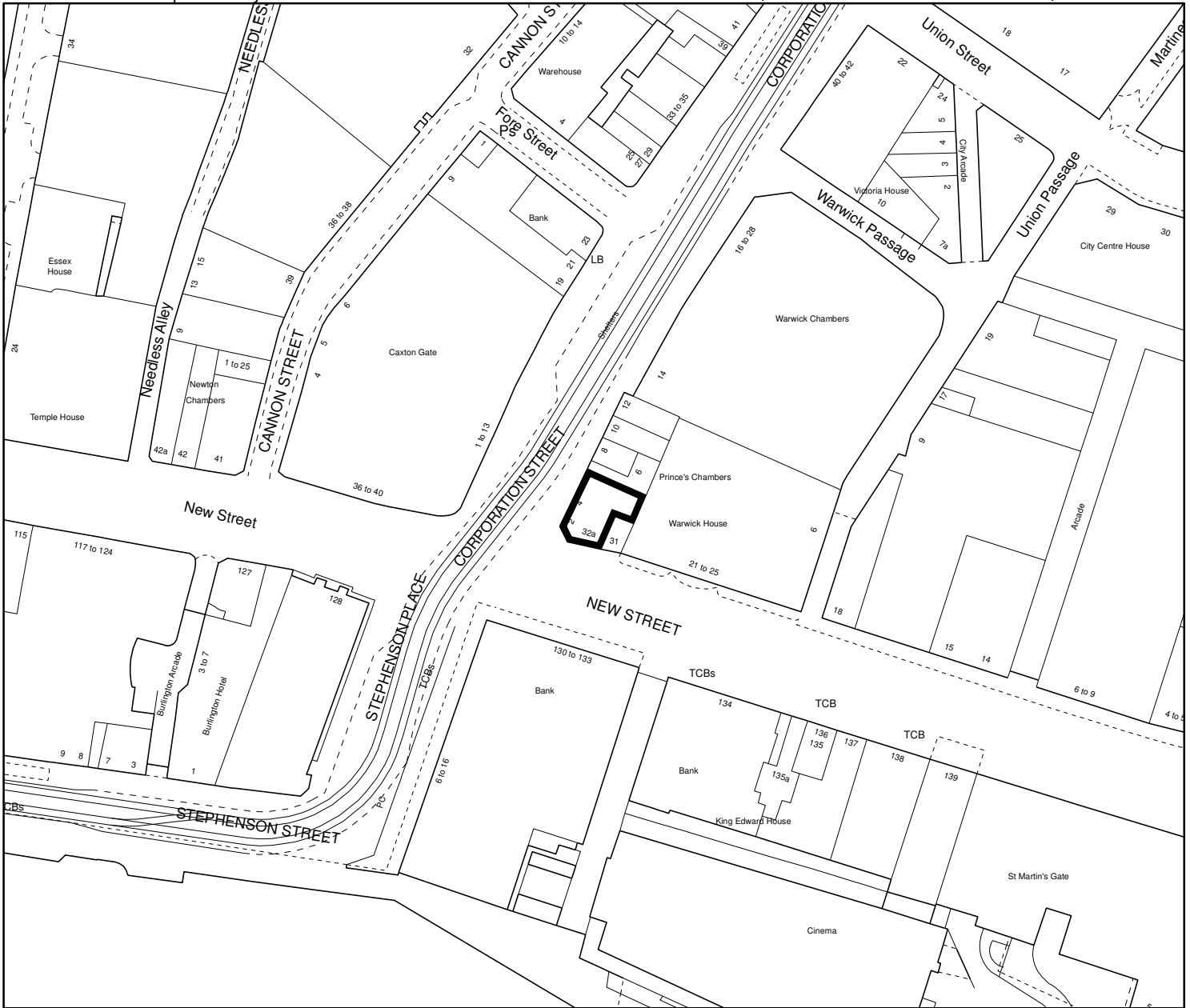
- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in section 4.4 of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

- 1 The Council must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) tackle prejudice, and
 - (b) promote understanding.
- 5 The relevant protected characteristics are:
 - (a) marriage & civil partnership
 - (b) age
 - (c) disability
 - (d) gender reassignment
 - (e) pregnancy and maternity
 - (f) race
 - (g) religion or belief
 - (h) sex
 - (i) sexual orientation



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Birmingham
City Council

Waheed Nazir
Corporate Director, Economy
1 Lancaster Circus
Birmingham
B2 2GL

32 New Street &
2-6A Corporation Street



Scale (Main Map)

1:1,250

Drawn

Bharat Patel

Date

05/06/2018

Lease Renewal of 32 New St / 2-4 & 6A Corporation Street (June 2018) Consultation Record

PROPERTY ADDRESS	WARD	CONSULTATION	COUNCILLOR RESPONSE
The basement and ground floor property at 32 New Street and 2/4 & 6A Corporation Street, Birmingham B2 4RQ	Ladywood	Memo dated 30/05/2018 requesting comments by 15/06/2018	Councillor Sir Albert Bore – no comments received by 15/06/2018 Copy attachment
The basement and ground floor property at 32 New Street and 2/4 & 6A Corporation Street, Birmingham B2 4RQ	Ladywood	Memo dated 30/05/2018 requesting comments by 15/06/2018	Councillor Kath Hartley – no comments received by 15/06/2018 Copy attachment
The basement and ground floor property at 32 New Street and 2/4 & 6A Corporation Street, Birmingham B2 4RQ	Legal Services	Email dated 19/07/2018 granting approval	Email approval - Copy attachment
The basement and ground floor property at 32 New Street and 2/4 & 6A Corporation Street, Birmingham B2 4RQ	Finance	Email dated 25/07/2018 granting approval	Email approval - Copy attachment

Equality Analysis Template Birmingham City Council Analysis Report

EA Name	
Directorate	Economy
Service Area	Birmingham Property Services
Type	Function/Policy – Delete as appropriate
EA Summary	
Author of Report	
Task Group Manager	Felicia Saunders
Quality Control Officer	Eden Ottley
Senior Officer	Eden Ottley
Activity Type	Function or Review Policy (FS)

For each strategy, please decide whether it is going to be significantly aided by the function	
1. Overall Purpose – what is the purpose of this Function/Policy and expected outcomes?	To renew the lease and secure a further 10-years of rental income at market value for the property portfolio.
2. Who have you consulted (internal/external) and why?	Ladywood councillors – Cllr Kath Hartley and Cllr Sir Albert Bore Finance Directorate Legal Services
3. Are there any groups likely to be affected?	No
4. What are the benefits eg equality, financial, community and regeneration, income generated, environmental?	The security of rental income to fund front line services, maintain a retail services in the heart of the city centre and to maintain employment within the branch.

	Delete as appropriate
Children: A safe and secure city in which to learn and grow	Yes/No
Health: Helping people become more physically active and well	Yes/No
Housing: To meet the needs of all current and future citizens	Yes/No
Jobs & Skills: For an enterprising, innovative and green city	Yes/No

5. Individuals affected by the policy

	Delete as appropriate
Will the policy have an impact on service users/stakeholders?	Yes/No
Will the policy have an impact on employees?	Yes/No
Will the policy have an impact on wider community?	Yes/No

6. Analysis on Initial Assessment

To be completed by FS

7. Concluding Statement on Full Assessment

To be completed by FS

8. Review Date

Always insert 6 months on from date of report production.

