

## CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**13 JULY 2006**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

### **CABINET DECISION**

**Regeneration and Transport - Lead Cabinet Member - Councillor Cook**

#### **THORNABY TOWN CENTRE – NEW LEASE AT 3 WRIGHTSON HOUSE, THORNABY TOWN CENTRE**

1. Summary

The purpose of this report is to seek approval for the grant of a new lease for 3 Wrightson House, Thornaby Town Centre.

2. Recommendation

It is recommended that Cabinet approve the Grant of the Lease on the terms set out in the ( exempt )appendix to the report.

3. Reasons for the Recommendations/Decision(s)

To obtain Cabinet approval for the terms of a new lease, which will assist in the relocation of Luxor Leisure. Relocation will ensure continuity of trading, the retention of local staff in employment, and will also assist in securing vacant possession of Brus House without the delay and expense of seeking compulsory purchase powers.

4. Members Interests

Members (including co-opted members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (paragraph 8) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (paragraph 10 of the code of conduct).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting is being held, whilst the matter is being considered; not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (paragraph 12 of the Code).

**Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc.; whether or not they are a member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting, and if their interest is prejudicial, they must also leave the meeting room during consideration of the relevant item.**

**AGENDA ITEM**

**REPORT TO CABINET**

**13 JULY 2006**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

## **CABINET DECISION**

### **THORNABY TOWN CENTRE - NEW LEASE AT 3 WRIGHTSON HOUSE, THORNABY TOWN CENTRE**

#### **SUMMARY**

The purpose of this report is to seek approval for the grant of a new lease for 3 Wrightson House, Thornaby Town Centre.

#### **RECOMMENDATIONS**

It is recommended that Cabinet approve the Grant of the Lease on the terms set out in the (exempt) appendix to the report.

#### **BACKGROUND**

1. Working in partnership with Thornfield Properties Plc, the selected developers for the regeneration of Thornaby Town Centre, the Council has been seeking to obtain vacant possession of both residential and commercial premises in Appleby and Brus Houses, both of which are earmarked for demolition. All the maisonettes have now been vacated and only a handful of commercial tenants have yet to agree terms, either for relocating within the new scheme or for compensation to vacate the centre.
2. One tenant in Brus House, the gaming company Luxor Leisure, wishes to relocate within the town centre to premises in Wrightson House which is not to be demolished. Planning consent was granted in December 2005 for the change of use from retail to a gaming arcade.
3. The grant of the lease will not only ensure continuity of trading and the retention of local staff in employment, but it will also assist in securing vacant possession of Brus House without the delay and expense of seeking compulsory purchase powers. The use of compulsory purchase powers may, however, be required as part of the acquisition of other interests in the centre.

## **DETAIL**

4. Thornfield are likely to commence the regeneration of Thornaby Town Centre on site early in 2007. They are to be granted a long lease from the Council, and hence will become landlords of Wrightson House for the majority of the duration of the lease. Given that the relocation of Luxor Leisure will take place in advance of the regeneration work, the Council will continue to act as landlord for a few months, albeit landlords of a different property to Luxor Leisure's existing one. The Council has had to co-operate closely to produce terms for the lease which are compatible with existing leases whilst the centre is managed by the Council and those to be granted in the future by Thornfield of accommodation not yet built.
5. Terms have now been agreed for both the surrender of Luxor Leisure's existing lease at 4 Brus House and for the lease of the replacement premises at 3 Wrightson House. The level of rent under the new lease is higher than the maximum where officers may approve the grant of the lease under the Council's Scheme of Delegation, hence Members' approval of the terms, detailed in the (exempt ) **appendix** to the report, is required.

## **FINANCIAL AND LEGAL IMPLICATIONS**

6. The Council will receive an increased rent from the premises until the grant of the lease of the Town Centre to Thornfield. The level of rent is considered to be very good in the current market.
7. There are no legal implications beyond the normal obligations as landlord of premises in the Town Centre.

## **RISK ASSESSMENT**

8. The grant of the lease reduces the risk of delay to the commencement of works on site in connection with the Thornaby Town Centre Regeneration Scheme.

## **COMMUNITY STRATEGY IMPLICATIONS**

### **Environment**

9. The formulation of proposals for the redevelopment of Thornaby Town Centre has involved the community in local land use planning

### **Economic Regeneration**

10. The regeneration of Thornaby Town Centre will provide an opportunity to revitalise one of the Borough's town centres thereby developing a sense of pride in the local community.

## **CONSULTATION INCLUDING WARD/COUNCILLORS**

11. Lead Cabinet Member for Regeneration and Transport has been consulted on the proposed new lease and its implications.

**Name of Contact Officer**      **Nigel Laws**  
**Post Title**                      **Town Centres and Major Projects Officer**  
**Telephone No.**                 **01642 527565**  
**Email Address:**                **Nigel.laws@stockton.gov.uk**

Background Papers

None

Ward(s) and Ward Councillors:

Mandale and Victoria – Cllrs Mrs Trainer, Mrs Norton and Walmsley  
Stainsby Hill – Cllrs Brown and Lynch  
Village – Cllrs Mrs Robinson and Delgarno

Property Implications

As detailed in the report

**The appendix to this report is classified as exempt information and is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972**