

Committee: Community and Children's Services Committee	Date: 12th October 2018
Subject: Decisions taken under Urgency since the last meeting of the Committee	Public
Report of: Town Clerk	For Information
Report author: Julie Mayer, Town Clerk's Department	

Summary

This report advises Members of action taken by the Town Clerk since the last meeting of the Committee, in consultation with the Chairman and Deputy Chairman, in accordance with Standing Order No. 41(A) in respect of : **Short term rental of Middlesex Street Unit**

Recommendation

Members are asked to note the report.

Main report

On 7 March 2018 Members of the Community and Children's Committee gave approval to explore the implementation of a mental health centre within the City of London. Due to expected demand of the centres services, Members requested that two adjoining shop units be used. Subsequently, officers identified 75 and 77 Middlesex Street as appropriate units for the centre. The two units were being held vacant whilst the mental health centre proposal continued through governance and procurement procedures. It was estimated that the two shop units would remain vacant until early 2019.

The proposal was to occupy one of the vacant shop units, from Monday 8th October to Friday 30th November 2018, at the sub-market rent of £1,400 for this 8-week period. During the on-going implementation of the Mental Health Centre, and the subsequent vacancy of 75 and 77 Middlesex Street, it would be in the best interest of the Housing Revenue Account (HRA) to benefit from a short-term letting, proposal even at sub-market levels.

Implications:

The City Surveyor advised that the normal commercial charge would be a pro-rate figure encompassing the rent of circa £30,000 + service charge £1,700 + insurance £470. The rent would therefore be £2,680.83 per calendar month.

Whilst the proposed rent of £1,400 would normally represent a loss to the Housing Revenue Account of £1,280.83, this would not be true within current circumstances. Due to both shop units being held vacant during the on-going implementation of the mental health centre, the current proposal would in fact be a form of income for HRA. Further, the rates liability for the City would also be covered by the tenant. The arrangement could be documented as a simple tenancy, whereby each party could terminate the contract on one week's notice.

Reason for Urgency:

The next meeting of the Community and Children's Services Committee was scheduled for 12 October 2018 and this proposal was for a short-term rental running from Monday 8th October to Friday 30th November. Officers only became aware of this opportunity on 26th September 2018.

Action Taken:

The Town Clerk, in consultation with the Chairman and Deputy Chairman of the Community and Children's Services Committee approved the 8-week rental of either 75 or 77 Middlesex street at £1,400 for the period of Monday 8th October to Friday 30th November 2018, on the agreement that the contractor pay all outgoings resulting from that use including rates.

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