

**NORTH SOMERSET COUNCIL
DECISION**

DECISION OF THE EXECUTIVE MEMBER FOR HUMAN RESOURCES
ASSET MANAGEMENT CAPITAL PROGRAMME AND
TRANSFORMATION WITH ADVICE FROM THE SECTION 151 OFFICER
OF THE COUNCIL'S CORPORATE SERVICES DIRECTORATE

**DECISION NO: CSD26**

SUBJECT: Proposed New Tenancy of Clarence Park Lodge, Weston- super- Mare

BACKGROUND:

Since 1 May 2005, the tenant of Clarence Park Lodge has been occupying the property shown edged red on the attached plan as an employee of the Council under a service tenancy agreement, currently paying rent at the rate of £317 per calendar month.

On 1 April 2016 the tenant's employment was terminated by the Council.

The Council's Valuer estimates the current level of an intermediate affordable rent for this property to be £600 per calendar month, however it is recognised that this would represent an unmanageable level of increase for the tenant from the current rental level of £317 pcm.

The tenant has no wish to vacate his home following termination of his employment and the property is no longer required by the Council for service accommodation purposes at Clarence Park.

Agreement has therefore been reached, subject to Council approval, for a new tenancy to be created in order to permit the tenant to remain at the property on the following revised terms:

Rental for period 1 April 2016 to 31 March 2017 @ £317 per calendar month

Rental for period 1 April 2017 to 31 March 2018 @ £450 per calendar month

Rental for period 1 April 2018 to 31 March 2019 @ £600 per calendar month

Thereafter, for any period of occupation by the tenant beyond 31 March 2019, periodic rent review provisions will allow for the rent of £600 pcm to be adjusted in future.

The proposed tenancy agreement will contain covenants drafted to protect the amenity of the Park throughout the course of the tenancy.

DECISION:

To authorise officers to document and grant a new tenancy of Clarence Park Lodge on the terms as outlined above.

Reasons:

To avoid making the tenant homeless on termination of his employment whilst increasing the Council’s rental income from this property to a modern affordable rent level, within a reasonable timescale, in stages which are manageable by the tenant.

Other Alternatives Considered:

The possibility of removing the tenant from the property immediately on termination of his employment was considered. However, as there were no alternative plans to re-occupy the property for the purposes of service accommodation it was considered preferable to allow the existing tenant to remain in his home under a new tenancy agreement, with the rental income being adjusted upwards towards a modern level of affordable rent.

Financial Implications:

In the short term, until such time as the stepped rental increases take effect, the rent under the proposed new tenancy agreement will continue to be received by the Council at the existing rate of £317 per calendar month. Existing budgets will not therefore be adversely affected by the proposals.

Implications for Future Years:

The rent will increase to £450 per calendar month in 2017 and to £600 pcm in 2018, representing an improvement on the current annual rental income for this property. Existing budgets will not therefore be adversely affected by the proposals.

For any period that the tenant remains in occupation beyond 31 March 2019, the rent will be reviewed and further increased in accordance with the rent review terms.

Signed:
Councillor David Pasley
(Executive Member for HR, Asset Management,
Capital Programme & Transformation Programme)

Dated:

Signed:
Section 151 Officer, North Somerset Council

Dated:

