



REPORT of LEAD LEGAL SPECIALIST

**to
STRATEGY AND RESOURCES COMMITTEE
2 OCTOBER 2025**

LEASE EXTENSION SPRINGFIELD BUSINESS PARK

1. PURPOSE OF THE REPORT

- 1.1 To request a lease extension for a business at Unit 8, Springfield Business Park, Burnham-on-Crouch.
- 1.2 To request delegated authority to allow extensions for any other units on the Business Park.

2. RECOMMENDATIONS

- (i) That the Council agrees for the current lease for Unit 8, Springfield Business Park, Burnham-on-Crouch to be extended for an additional 66 years making the total lease length of 99 years;
- (ii) That the Assistant Director of Customer Services and Operations be given delegated authority in consultation with the Chairperson of the Strategy and Resources Committee to agree extensions to any other lease of any unit within the Springfield Business Park with less than 40 years remaining to increase the lease term to a maximum of 99 years;
- (iii) That the Assistant Director - Customer Services and Operations be given authority to agree the annual rent figure for the leases in recommendations (i) and (ii) in line with a current market valuation with a ten-year rent review;
- (iv) that all leases which are extended in line with the delegation set out at (ii) above are reported to the Strategy and Resources Committee.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council owns the Springfield Road Business Park, Burnham-on-Crouch.
- 3.2 The majority to the units were leased between 1973 and 1974 for a term of 85 years.
- 3.3 The Council entered into an 85-year lease for Unit 8 Springfield which began on 1 July 1973. There is currently 33 years remaining on this lease. The leaseholder pays an annual ground rent which is reviewed every 10 years.
- 3.4 The Council has received a request from the leaseholder, Flag Brand Products Ltd of Unit 8 Springfield to extend their current lease by 66 years effectively making the lease a 99-year lease.

- 3.5 The Leases were not contracted out of the Landlord and Tenant Act 1954 when they were completed. The Tenants therefore have an automatic right to renew their agreements when the expire in 2058.
- 3.6 While the rental figure is currently reviewed every ten years Officers would recommend that a new valuation is carried out now to allow the new agreement to begin at a current market value.
- 3.7 Businesses require long term security of a premises in order to invest in their business and make long term investment and growth plans. It is anticipated that as all the current leases were entered into around the same time period the Council can expect to receive a number of these requests over the coming months.
- 3.8 To prevent a number of identical reports being placed before the Committee the request for a general delegation will allow Officers to process any future applications easily and without the additional administration of making a report to Committee.
- 3.9 The proposed delegation will only allow for extensions whereby the leases are coming towards the end of their term and will require then to be subject to a valuation. This will ensure that any changes outside of these parameters which are not currently covered by delegations will still come before this committee for consideration.

4. CONCLUSION

- 4.1 The granting of an extension to this lease will provide a long-term income to the Council at a market value while also providing security for the business that occupies this Unit.
- 4.2 By providing a delegation to allow further applications to be dealt with this will improve the customer service that can be provided to the remaining tenants who may also wish to extend their leases.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2025 - 2028

5.1 Supporting our communities

- 5.1.1 By providing delegated authority to Officers this will allow a quicker decision-making process to those tenants who may also wish to extend their lease.

5.2 Growing our economy

- 5.2.1 Proving long term security for businesses allows the businesses to make long term investment plans which will support business growth within the district.

6. IMPLICATIONS

- (i) **Impact on Customers** – Providing a delegated authority will ensure a quicker decision-making process for our tenants who wish to extend their lease.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk (including Fraud implications)** – None.

- (iv) **Impact on Resources (financial)** – A valuation will ensure the Council is obtaining a current market rental value and the rent review will ensure that this is reflected throughout the term of the lease. The agreement to extend this lease will ensure a long-term income for the Council.
- (v) **Impact on Resources (human)** – The legal work will be undertaken in house.
- (vi) **Impact on Devolution / Local Government Reorganisation** – Any lease that is entered into at this point will be novated (transferred) to any new authority as part of the legal devolution process. The current leaseholders have an automatic right to renew their lease and so any new authority would be bound by this legal obligation in the future irrespective of this decision.

Background Papers: None.

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