

## **Agenda Item 9, Amendments to the Corporate Asset Management Plan Mayor's Response to Council Recommendation**

### **Mayoral Motion**

#### **Council Meeting**

**22 September 2016**

#### **Motion:**

- (i) that, a new Appendix AM-G ~ 'Procedure for determining applications for grants to offset market rent (grants in lieu of rent)', be added to the existing Corporate Asset Management Plan 2015 ~ 2019 (as set out in Appendix 2 to the submitted report);
- (ii) that, Appendix AM-H ~ 'Granting of sports leases – An overarching strategy', be added to the existing Corporate Asset Management Plan 2015 ~ 2019 (as set out in Appendix 3 to the submitted report);
- (iii) that, the existing Corporate Asset Management Plan 2015 ~ 2019 be amended to ensure that any grant from the Council to assist with a tenant's rent will be time bound and will not extend beyond the next scheduled rent review unless there is specific approval at Full Council to the contrary; and
- (iv) that the following wording be added to the Corporate Asset Management Plan to clarify the approach to be taken respect of sports leases:

"The estimated market rent assesses the lease value against other similar leases (i.e. sports leases) across the South Devon area. An estimated market rent will take into account whether the landlord or tenant has the liability for the cost of maintenance and what income generating facilities are at the disposal of the tenant i.e. a club house & bar, private car parking, etc. The estimated market rent would also reflect the restrictive nature (sports use only user clause) of the lease and the level of the security of tenure.

A combination of the above factors can either increase or lower the valuation and so it must not be assumed that a 'market rent' is necessarily a high rent. In the case of sports clubs the 'market rent' should not be compared with the commercial rent a business might pay in the high street."

Proposer     Mayor Oliver  
Secunder     Councillor Excell