



DECISION TAKEN BY OFFICER UNDER PARAGRAPH 13(4) OF THE LOCAL AUTHORITIES (EXECUTIVE ARRANGEMENTS) (MEETINGS AND ACCESS TO INFORMATION) (ENGLAND) REGULATIONS 2012

Name of Officer	Sarah Longthorpe
Position of Officer	Director of Regeneration
Service Area	Regeneration

Title of Decision	Approval of Licence to Assign the long leasehold interest of the Ice Rink from Standard Securities Limited to a new owner to support the council's priority to retain ice provision within Basingstoke.
Date of Decision	30 August 2024

Appendix (Exempt)	1. Heads of Terms 2. Financial Due Diligence
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Exempt or Confidential Information

It is considered that information contained within appendix 1 and 2 of this report contains exempt information under the meaning of paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Schedule 12A of the Local Government Act 1972, as amended, and therefore cannot be made public.

Glossary of terms

Term	Definition
PIBL	Planet Ice (Basingstoke) Limited
SSL	Standard Securities Limited
Interim Schedule of Dilapidations	A schedule served by the landlord on its tenant, which sets out the items of disrepair at a property under the terms of the lease.

Background to decision:

The Council Plan 2023 to 2027 priority is to provide a place where people can have pride in their communities and the borough and in particular reference to leisure and wellbeing:

“We will deliver a Leisure Park fit for the 21st century. We will provide a new Aquadrome and seek to explore the future opportunities for leisure facilities. We will ensure that our residents will enjoy improved sporting opportunities. We will begin to update our sports strategy, where the emphasis will be placed on grass roots sports and community clubs”

The council owns the freehold of the Leisure Park which includes the land the ice rink sits on. The ice rink premises is currently let on a 115-year lease from 2000, with 91 years remaining, to Standard Securities Ltd (SSL) which is subject to an underlease to the operator, Planet Ice (Basingstoke) Ltd (PIBL), expiring in 2061. The responsibility for repair lies with the council’s direct tenant SSL, with similar provisions in the underlease.

A condition survey was prepared by Chartered Surveyors Ridge and Partners on behalf of the council which identified that the existing rink was unlikely to last unless major repairs were carried out to the ice pad itself which was subject to upward heave distortion caused by permafrost under the pad.

The council has continued to be advised by Ridge and Partners who also prepared an interim schedule of dilapidations in accordance with the terms of the headlease. The council’s property team have been working with SSL and PIBL to agree a schedule of works as part of PIBL’s repair obligations in the underlease.

SSL has since approached the council to request the council’s consent to assign the headlease to a new owner to enable the repair works to be progressed.

Detailed due diligence has been undertaken to consider this request and the associated risk to the council including an assessment of the financial suitability of the proposed assignee to take on the obligations contained in the head lease including repairs.

The council’s property team has concluded the negotiation of an assignment of the headlease in respect of the ice rink and progressed the required legal documentation. The council’s solicitor has been instructed to prepare the documentation in accordance with the Heads of Terms in the attached exempt Appendix 1 which includes an agreed programme of repair works.

The Heads of Terms of the consent to Assign have been reviewed by officers from the council’s property and legal services teams.

The Director of Regeneration has consulted SLT and the Portfolio Holder of Finance and Property in respect of the decision to approve this transaction.

Authority to make the decision:

Pursuant to the Property Services Delegation scheme dated 31st May 2024 the Chief Executive authorised the Director of Regeneration to exercise the delegations of the Executive Director of Corporate Services and Assets contained in paragraphs 3.14(5) to (13) of the Officers’ Scheme of delegation Part 3 of the Constitution. The delegation is as follows:

5. Approve the following transactions and actions in relation to the council's land and property holdings and sign the appropriate documentation in respect of them (including all commercial property and leases, operational buildings, the civic campus and all buildings used for leisure and community purposes):

(i) Assignment, Sub-letting, Surrender and Changes of Use;

Reason for Decision:

To provide consent to the assignment of the head lease in respect of the ice rink located at the Leisure Park to support the council's priority to protect ice provision in Basingstoke through an agreed programme of repair works including works to the ice pad.

Report/Information considered:

The council has sought external advice and reports on the transaction from Ridge including:

Condition Survey
Interim Schedule of Dilapidations
Structural Report dated January 2024

Legal	The approval of the Heads of Terms will enable property and legal services to complete the necessary legal documentation in respect of the proposed transaction.
Finance	The finance team have examined the assignee's financial statements and have concluded the findings in exempt Appendix 2. An assessment of covenant strength of the proposed new tenant has been undertaken as part of the due diligence. There is the risk of the necessary works not being concluded however mitigation of any financial impact to the council is in place through the guarantee.
Property and regeneration	The property team have continued to work with SSL to understand how they, the proposed assignee or their sub-tenant will deal with the repairs required to the ice pad and the timeframe for doing so.
Risk Management	The key risk to this transaction is the covenant strength of the new owner and whether the repair works will be completed within the agreed timeframe, this will be monitored regularly under the terms of the head lease and legal documentation.

	The information contained in the exempt Appendices outlines how the proposed agreement seeks to mitigate the risk of a potential change of use and loss of the ice rink
Equality, Diversity and Inclusion	Agreement has been reached with the proposed new owner as the proposed tenant to undertake repairs to the ice rink facility which may improve accessibility.
Consultation and communication	A communications plan will be developed to coordinate with announcements from the new headlessee and operator of the ice rink, focusing on explaining the council's role and listening and responding to ice users and other interested groups.
Climate Change, ecological and biodiversity	This report will have no direct impact on the council's climate change, ecology and biodiversity related matters as it is an existing building, and the new owner or subtenant will be undertaking the repair works.
HR	This report will have no direct impact on HR related matters.

Alternative options considered and rejected:

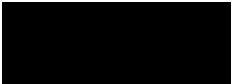
There are various options and outcomes with associated financial risks that have been considered and rejected including not to proceed with granting consent to the proposed assignment. However, this has been discounted due to the wider social benefits to the community and the council's desire to protect the ice provision in Basingstoke.

Decision:

To consent to the assignment of the head lease in respect of the ice rink facility at Basingstoke Leisure Park to the proposed tenant as set out in the exempt heads of terms in Appendix 1.

Record of any conflict of interest declared by any cabinet member who was consulted by the decision maker:

None.

Signed:	
Name:	Sarah Longthorpe
Job title:	Director of Regeneration
Dated:	30 August 2024