

**RECORD OF STANDING ORDER 35 URGENT
DECISION BETWEEN MEETINGS OF THE
COUNCIL BY THE CHIEF EXECUTIVE IN
CONSULTATION WITH THE LEADER**



Chief Executive:

Gary Hall

Leader:

Cllr Paul Foster

Subject:

Rent Relief to Council Owned Tenancies Including Leyland Market During the COVID 19 Event

Decision:

To provide full rent relief to tenants within Council owned commercial premises, including Leyland Market, for the period 1st March 2020 to 30th June 2020

Details and Reasoning:

Councillors will be acutely aware of the current COVID 19 event and the significant impact on the business sector. Whilst Central Government is providing measures to assist businesses the detail behind these has not fully emerged and it may be some time before the benefits are realised.

South Ribble Borough Council is therefore seeking to assist local business as much as possible. The Council owns over 100 premises which are occupied by a range of businesses small and large. Currently this portfolio provides an income to the Council of around £1.105m annually which equates to £92,000 per month. Additionally the market generates around £13,000 per month. The Council also licenses food street traders which generates around £2,000 per month.

Whilst rent is only one of a businesses costs the Council is in a position where it could assist businesses by not taking rent for a period during the current crisis.

It is anticipated that the current events could last a number of months. With this in mind it is proposed that rent would not be collected for a 4 month period back dated to 1st March 2020. This period would therefore run up until 30th June 2020.

The cost to the Council of doing the above would equate to around £368,000 from the premises, £52,000 from the market and £8,000 from the food street traders. Overall the cost to the Council would be circa £428,000.

The rent free period for the month of March 2020 could be covered by underspends elsewhere in the 2019/20 financial year. The rest would have to be met from the 2020/21 budget and / or reserves.

**Wider Implications
(including Financial, Legal,
Equality and Risk):**


Legal – There are no concerns from a legal perspective. The council at its own discretion may waive the payment of rent in respect of its properties for a period of time.

Finance – these measures are temporary and therefore it is appropriate to fund using 2019/20 underspends and reserves. The council has a number of earmarked reserves that could fund these rent-free periods.


Report attached?
Exempt from publication?
If exempt, give reason(s):

No
No
No

Signed:


Date: 24/03/20

Chief Executive


Date: 25/03/20

Leader

I confirm that I consider this decision is one of genuine Urgency



Cllr Howarth/Chair of Scrutiny

THIS DECISION WILL COME INTO FORCE IMMEDIATELY IN ACCORDANCE WITH THE COUNCIL'S CONSTITUTION