

## EXERCISE OF DELEGATED POWER

**Title : Lease of Addison Mews, Crawcrook, Gateshead**

Gateshead Council Constitution (Fifteenth Edition – May 2019)

Schedule 5 - Executive Functions Delegated to Managers.

Part 1 – Delegations to Individual Managers.

4. Strategic Director, Corporate Services & Governance.

(19) Following consultation with the Strategic Director, Corporate Resources, to acquire or dispose of land and/or property by sale, lease, licence, consent, or any other legal estate or interest and to incur any necessary expenditure for those purposes

Statutory Power:	Section 32 of the Housing Act 195 and the General Consent for the Disposal of Land held for the purpose of Part 11 of the Housing Act 1985 <i>General power of competence. s.1, Localism Act 2011</i>
Policy:	Capital Strategy, Vision 2030, Gateshead's Sustainable Community Strategy
Proposal:	To enter into a Lease for a term of 3 months
Premises:	Addison Mews, Crawcrook, Gateshead
Tenant:	Gateshead Council
Rent:	£6000 per calendar month (fully inclusive of all costs including utilities)
Use:	The permitted use to be residential accommodation for a child in the looked after system

Comments: The Council has an urgent requirement for fully furnished, specialist adapted housing accommodation for a child in the looked after system and this requirement could not be met from existing Council owned provision

Surveyor	Team Leader	Property Manager	
Approved by:	<div style="display: flex; justify-content: space-between;"> <div>             Mike Barker            Strategic Director, Corporate Services and Governance         </div> <div>           Date: <b>8/8/19</b> </div> </div>		



## Lee Wright

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**From:** Julie Young  
**Sent:** 06 August 2019 08:25  
**To:** Lee Wright; Paul Stevens  
**Cc:** Elaine Devaney; Jill Little  
**Subject:** RE: Addison Mews - Without prejudice and Subject to Contract

Hi Lee

Yes it's a fully adapted property specifically built to provide specific accommodation for adults and children with LD, or physical disability – with walk in ensuite's and kitchen adapted and secure windows and medication cupboards, lifts between floors etc

But on this occasion it's an urgency – we have nothing similar / or available from housing stock or other private landlords

Might be a thought moving forward, on a similar issue, I have had to go to Disabled Holidays .com to get even close to this spec

Kind regards

Julie

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**From:** Lee Wright <LeeWright@Gateshead.Gov.UK>  
**Sent:** 06 August 2019 07:56  
**To:** Julie Young <JulieYoung@Gateshead.Gov.UK>; Paul Stevens <PaulStevens@Gateshead.Gov.UK>  
**Cc:** Elaine Devaney <ElaineDevaney@Gateshead.Gov.UK>; Jill Little <JillLittle@Gateshead.Gov.UK>  
**Subject:** RE: Addison Mews - Without prejudice and Subject to Contract

Hello Julie

Can I just confirm that there is nothing specialist about the property itself?

The only reason for the inflated rent is the urgency?

Thanks

Lee Wright BSc (Hons) MRICS  
Team Leader, Property  
Property and Corporate Asset Management

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**From:** Julie Young <JulieYoung@Gateshead.Gov.UK>  
**Sent:** 05 August 2019 16:34

**To:** Paul Stevens <PaulStevens@Gateshead.Gov.UK>; Lee Wright <LeeWright@Gateshead.Gov.UK>  
**Cc:** Elaine Devaney <ElaineDevaney@Gateshead.Gov.UK>; Jill Little <JillLittle@Gateshead.Gov.UK>  
**Subject:** RE: Addison Mews - Without prejudice and Subject to Contract

Hi Paul

This is a bespoke arrangement, with the property like a hotel and available immediately, no housing provider or our inhouse housing had furnished property immediately available, which is why we are paying this rental

So the urgency was key, as this child was homeless and returned by a provider who gave immediate notice whilst she was in a hospital ward in Wolverhampton

Can you let me know when we can proceed with sign off and payment – as there are conditions?

Kind regards

Julie

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**From:** Paul Stevens <PaulStevens@Gateshead.Gov.UK>  
**Sent:** 01 August 2019 14:01  
**To:** Julie Young <JulieYoung@Gateshead.Gov.UK>; Lee Wright <LeeWright@Gateshead.Gov.UK>  
**Cc:** Elaine Devaney <ElaineDevaney@Gateshead.Gov.UK>; Jill Little <JillLittle@Gateshead.Gov.UK>  
**Subject:** RE: Addison Mews - Without prejudice and Subject to Contract

Hi Julie

I have spoken to Lee Wright from Property Services (copied into this email) regarding the delegated authority, to be signed by Mike Barker. We discussed the transaction and there is a concern about the level of the rent, which seems to be well above market values for the area. Is there a reason for this? Perhaps because of the facilities at the property, or its size, or the urgency/nature of the transaction? If you could please let us know or let us have the background, that would be great.

The rent payment date, according to the lease, is Monday 5 August 2019.

Thanks

Paul

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**From:** Julie Young  
**Sent:** 01 August 2019 13:22  
**To:** Elaine Devaney <ElaineDevaney@Gateshead.Gov.UK>; Jill Little <JillLittle@Gateshead.Gov.UK>  
**Cc:** Paul Stevens <PaulStevens@Gateshead.Gov.UK>  
**Subject:** FW: Addison Mews - Without prejudice and Subject to Contract

Hi Elaine / Jill

I am still working with Paul Stevens re: drafting the lease agreement, should be done either today or tomorrow, then this will need signing off by Mike Barker as a formality, Caroline and yourself have given approval thank you

Just aware the attached invoice under the agreement will need to be paid by the early August (Paul do you have the date), as such can Lisa kindly sort this through a/grosso, as a new arrangement, but not push the button on any payment until the lease is complete?

Thanks for your help

Kind regards

Julie

**From:** Anu Kaura <[Anu@malhotragroup.co.uk](mailto:Anu@malhotragroup.co.uk)>  
**Sent:** 26 July 2019 17:20  
**To:** Julie Young <[JulieYoung@Gateshead.Gov.UK](mailto:JulieYoung@Gateshead.Gov.UK)>  
**Cc:** Bunty Malhotra <[Bunty@malhotragroup.co.uk](mailto:Bunty@malhotragroup.co.uk)>  
**Subject:** Addison Mews - Without prejudice and Subject to Contract

Dear Julie

Thank you for your time earlier.

I have attached a draft lease in respect of the above. The wording is standard however I have amended to reflect the following terms that I understand that have been agreed between you and Mr Malhotra:

- Rent of £6,000 pm
- Duration of lease – 3 months
- All utilities and common area maintenance to be paid for by the Landlord (subject to reasonable use)
- Insurance to be paid for by the Landlord other than contents insurance that will be paid for by the Tenant

I have confirmed with Accounts that no VAT is payable as Malhotra Care Homes Ltd is not VAT registered. I have also attached our invoice stating the terms of payment.

Please advise if any amendments are required. The relevant statutory letters for contracting out of the LTA will be served on Monday.

Kind regards

Anu Kaura



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**Mrs Anu Kaura | Head of Legal & Group In-House Lawyer | Malhotra Group PLC**  
**The Law Society | In - House Division Committee Member**

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