

Report to the North Weald Airfield Strategy Cabinet Committee



**Epping Forest
District Council**

Date of meeting: 28 July 2008

Portfolio: Corporate Support and ICT Services

Subject: North Weald Airfield – Extensions of Existing Leases and Licences

Responsible Officer: Derek Macnab (01992–5644260).

Democratic Services Officer: Gary Woodhall (01992–564470)

Recommendations/Decisions Required:

That consideration be given to granting extensions of leases without security of tenure, which are largely due to terminate in 2010.

Executive Summary:

This report suggests that there is an opportunity to agree to extensions to some existing leases.

Reasons for Proposed Decision:

In the light of the East of England Plan it is apparent that the timescales envisaged in the Drivers Jonas report for any major development proposals to take effect the Airfield are no longer applicable and there is an opportunity to allow some occupiers to have extensions to their leases.

Other Options for Action:

Not to allow any extensions of leases.

Report:

1. A number of commercial, aviation and leisure uses of North Weald Airfield have developed incrementally, since the Council acquired the site from the Ministry of Defence.
2. The current arrangements fall largely into four categories, i.e. long ground leases, leases with security of tenure, short leases without security of tenure and licenses. (A plan will be available at the meeting detailing the individual locations). The long ground leases are largely situated on the North Weald Airfield Industrial Estate and on the live side of the Airfield.
3. With respect to leases with security of tenure, the Council would need to have definite firm proposals in order to successfully challenge existing tenants' rights to a new lease on lease renewal.
4. However, the more immediate issue for the Council relates to short leases without security of tenure on renewal. Following a moratorium on new leases in 1998 and the

subsequent publication of Drivers Jonas report, any new leases on the Airfield have been limited to 31 December 2010 with break clauses at the end of 2007, 2008 and 2009. This is to reflect the minimum timescales envisaged within the Drivers Jonas report for any development proposals to take effect. Tenants are now generally aware of the deletion of North Weald Airfield as a site for major potential development in the East of England Plan. They are also clearly concerned that they have no rights to remain on the Airfield after 2010. There is therefore a need in the short-term to grant a number of new leases, with break clauses as appropriate, pending any longer term plans the Council may have, coming to fruition. It should be acknowledged that it is unlikely that short lease terms would encourage new tenants to the Airfield, however, it would not be prudent in any event to allow piecemeal development which could prejudice future plans.

5. In addition, some tenants wish to carry out a degree of development and/or improvements. As such they are actively seeking lease extensions, which would allow them to recoup a return on their investment. In particular, the Golf Driving Range operators currently cannot make a business case or obtain planning permission to realise their aspirations for a major upgrade of the range and new clubhouse, without a larger lease period.

6. The Golf Driving Range operator has therefore requested a minimum extension of five years and/or some form of overage arrangements, in the event of future development. Given the likely timescales involved in determining a clear future for the Airfield, members may wish to consider granting extensions to lease holders without security of tenure.

7. Details of the terms of existing leases are set out in the item to be considered at this meeting in private session. If members consider that they need to discuss the terms before coming to a decision on extending leases it will be necessary to resolve that this item is moved to private session.

Resource Implications:

Set out in the item to be considered in private session

Legal and Governance Implications:

Terms of leases

Safer, Cleaner and Greener Implications:

No implications at this stage.

Consultation Undertaken:

None

Background Papers:

None

Impact Assessments:

None at this stage