

# GARDEN CENTRE PROPERTY HEALTH CHECK

- Property can be a highly valuable asset if properly managed
- Seven-point health check to ensure maximum efficiency
- Seeking professional advice is paramount

For confidential and expert garden centre property advice, please contact the partners:

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Gilbert Evans is the sole preferred supplier of property advice to the HTA. Members can contact us via [gardencentres@hta.co.uk](mailto:gardencentres@hta.co.uk)



Property can be a highly valuable asset but should be properly managed. Here is a seven-point health check for garden centre owners to help to ensure property is working at maximum efficiency.

**Business Rates.** The next Rate Revaluation is due on the 1st April 2017 when all commercial properties will be re-assessed. But there are still opportunities to obtain savings on current assessments, and savings may be backdated to 1st April 2010. Appeals may also be submitted if there has been a physical change in the locality such as a new or improved garden centre opening nearby, road alterations, construction nuisance etc. Be aware though - the property may not be over-assessed, and an ill-considered appeal could result in an increase assessment. Professional advice should be taken before submitting an appeal.

**Concessions.** Landlords must ensure that occupiers do not obtain security of tenure otherwise it can be costly to remove or re-position tenants. The best way is to put all occupiers upon proper lease agreements. Leases should be excluded from the security of tenure provisions of the Landlord and Tenant Act, and should allow the landlord sufficient flexibility in terms of relocating the tenant and 'breaking' the lease if required.

**Lease Expiries.** Garden centres that are let may be subject to security of tenure provisions. Notices to bring the lease to an end can be served by either party. Timing of notices is important. On agreeing new lease terms the tenant is entitled to renew on similar terms to the existing lease though the length of lease and rent can be altered. Agreeing a new lease does provide an opportunity to revisit the original lease and amend terms by agreement, if that suits both parties. Rental bases can be varied and may be based on market rents, a turnover basis, or a combination. If a lease has less than 10 years remaining, consider entering early lease renewal discussions to provide extra certainty.

**Rent Reviews.** The lease should be checked to determine whether there are any timing provisions for service of notices. Rents may be based on market levels, turnover, inflationary indices such as RPI, or a combination of these. Failing agreement, disputes will be resolved by arbitration or reference to independent expert. This is a specialist market and obtaining the right professional advice is paramount.

**Planning.** Planning consents should be kept up to date and if you suspect you, or a tenant, may be in breach then it's best to obtain specialist planning advice.

**Development/Expansion.** The planning regime in many areas is more benign and favourable than it has been for many years. If you are considering redevelopment, now may be a good time to consider applying for planning permission. Be aware though that before embarking on any redevelopment you should ensure the value after the development will be high enough to justify the cost.

**Professional Advice.** Mistakes can be expensive, sometimes irreparable. Specialist garden centre property advice should be taken from Chartered Surveyors.