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**To: Infrastructure, Land and Environment Policy Board**

**On: 28 August 2019**

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**Report by: Head of Property Services**

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**Heading: Lease of Premises at 9b Gilmour Street, Paisley**

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**1. Summary**

- 1.1 Economic Development / Invest in Renfrewshire wish to enter a longer-term lease arrangement for the above premises which they currently occupy. This report seeks authority to conclude that new lease.
- 1.2 This report advises Members of the property implications associated with the proposed Lease.
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**2. Recommendations**

The Board is asked to: -

- 2.1 Authorise the Head of Property Services and the Head of Corporate Governance to enter into a new lease for the premises at 9b Gilmour Street, shown outlined and shaded on the attached plan, which premises extend to c. 115 square metres or thereby, under terms noted in part 4 below.
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**3. Background**

- 3.1 Invest in Renfrewshire took a short-term licence on these premises for the purposes of having a unique retail outlet to support the new InCube business incubator facility based in Paisley High St.

The premises provide early stage and start-up businesses with the opportunity to test-trade their locally made, creative products to the public and the premises additionally operates as an employability hub supporting 50 unemployed people each year to train in retail skills and then move into work.

3.2 Invest in Renfrewshire have occupied the premises since 13th August 2015. The original licence was until 16th February 2016 to preserve flexibility and was procured under the Delegated Powers of the Head of Property and implemented by the Head of Corporate Governance. This licence has continued to roll over on a monthly basis ever since.

3.3 To reflect the longer-term nature of the occupation, an approach was made to the Landlord to seek to clarify this in a longer-term Lease agreement and the terms noted for this are detailed in 4 below. These terms reflect funding streams for the occupying service and preserve flexibility to withdraw from the proposed lease where appropriate.

#### 4. **Provisional Terms and Conditions: -**

The Terms and Conditions provisionally agreed with the Landlord are as follows: -

4.1 Renfrewshire Council will conclude missives to effectively vary the current license / lease agreement, by entering into a new lease for 9b Gilmour Street, Paisley until a new expiry date on 31/12/2022.

4.2 The rent will be adjusted from £17,000 per annum exclusive of VAT currently passing to £16,200 per annum exclusive of VAT. This will become payable quarterly in advance rather than monthly in advance.

4.3 The lease agreement will include a Tenant only break option which allows Renfrewshire Council to end the lease without penalty on a rolling monthly basis from 31st March 2020, with 1 month's prior written notice. This gives the Council security over the tenure until the new lease expiry.

4.4 All other terms and conditions will remain as in the current licence agreement.

4.5 Each party will bear their own professional and legal expenses in the conclusion of this lease.

4.6 The transaction for the new lease shall include such other terms and conditions as may be deemed necessary by the Head of Property Services and the Head of Corporate Governance to protect the interests of Renfrewshire Council.

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## Implications of the Report

1. **Financial** – Revenue – Rent will be £16,200 per annum + VAT, with additional payments due for insurance, etc.; Invest in Renfrewshire have secured funding until end 2022.
2. **HR & Organisational Development** – None.
3. **Community Planning** –  
  
Our Renfrewshire is thriving – encouragement of take up of available space.  
  
Our Renfrewshire is fair - facilitation of a practical solutions to Tenant needs.
4. **Legal** – The Head of Corporate Governance will extend the occupation agreement as per the terms noted in 4 above.
5. **Property/Assets** – As per the report.
6. **Information Technology** – continuation of services already in place.
7. **Equality & Human Rights** – The activity support equality of access to services.  
  
(a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report as services in their current format will continue. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None.
9. **Procurement** – None.
10. **Risk** – Increased longer term maintenance costs along with potential residual terminal dilapidations costs.
11. **Privacy Impact** – None.
12. **Cosla Policy Position** – None.

13. **Climate Risk** - None. Any Climate Risk implications will be addressed in subsequent Reports.
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### **List of Background Papers**

- (a) None.

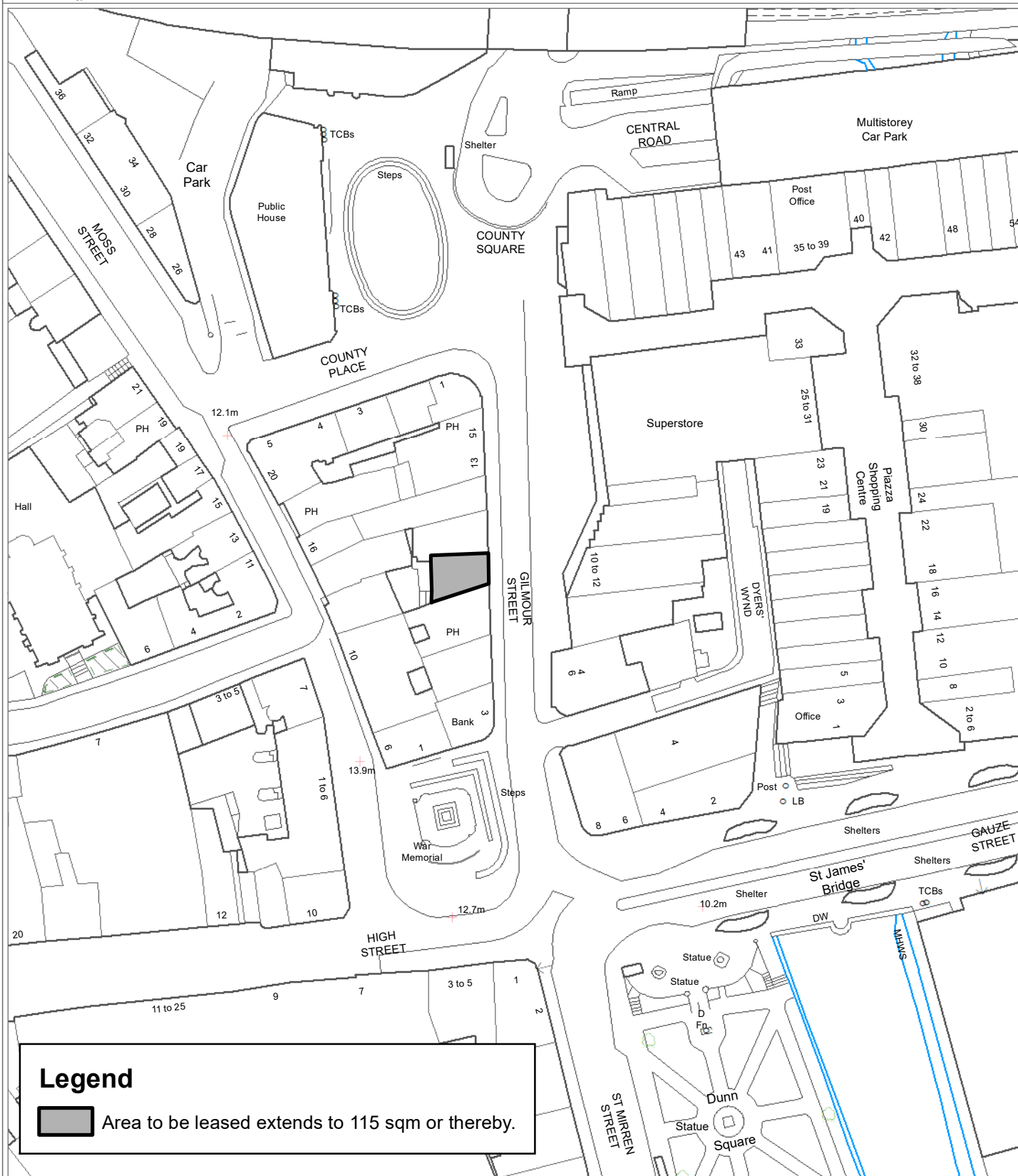
The foregoing background papers will be retained within Property Services for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Joe Lynch, Head of Property Services, tel. 0141 618 6159, email: - [joe.lynch@renfrewshire.gov.uk](mailto:joe.lynch@renfrewshire.gov.uk).

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Date: 22/07/2019



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