

To: Infrastructure, Land and Environment Policy Board

On: 29th August 2018

Report by: Director of Finance & Resources

Heading: Lease of Premises at 7a Moss Street, Paisley

1. Summary

- 1.1 Communities, Planning and Housing Services wish to continue the services undertaken from 7a Moss Street, as part of the Council's continued commitment to mitigate the impacts of welfare reform on Council tenants; incorporating a "Drop-In" housing options advice service and shop front in Paisley Town Centre.
- 1.2 This report advises Members of the property implications associated with continued implementation of these services.
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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 lease extension / new lease of the retail premises at 7a Moss Street, Paisley, based on the terms and conditions noted in 4 below.
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3. **Background**

- 3.1 The Homechoice shop opened to the public on 21 October 2013. The shop was one of a range of initiatives developed to provide additional support for tenants affected by the UK Government's benefit changes. The shop was developed to provide extended opportunities for marketing and promotion of housing options and exchanges, the shop frontage promotes the partnership within Renfrewshire and footfall remains high.
- 3.2 The Head of Planning and Housing has confirmed that the lease should continue and the costs will be met from existing budgets.
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4. **Provisional Terms and Conditions: -**

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

- 4.1 Renfrewshire Council will renew / take a new lease over the premises with effect from 28/8/2018 (following the expiry of the existing lease term), on full repairing and insuring terms, for a period of 5 years from the date of commencement of the lease term.
- 4.2 Renfrewshire Council will have the ability to end the lease at the third anniversary of the date of commencement of the lease term, it is anticipated subject to issuing 3 months prior written notice to the Landlord. If the break is not exercised, the lease will continue for the remaining 2 years of the 5 year term.
- 4.3 The rent under the new leasing agreement will be reduced to £12,500 per annum (from the current passing rent of £18,000 per annum).
- 4.4 The rent will not be subject to review during the duration of the lease term.
- 4.5 All other lease terms and conditions will remain as per the current lease.
- 4.6 The existing lease is in effect continuing for 1 further year under common law (tacit relocation) until 27th August 2019, however both parties have agreed to update that default position to backdate the revised lease terms to commence on 28th August 2018.
- 4.7 Each party will bear their own professional and legal expenses in the conclusion of this lease but Renfrewshire Council as Tenant will be responsible for payment of Land and Buildings Transaction Tax, recording dues and any other relevant taxation.

- 4.8 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 £12,500 per annum, with additional payments due for service charges, insurance, etc. Capital – Little or no capital costs are anticipated.
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 enter Renfrewshire Council into a new / extended and revised lease agreement.
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** – Change in funding service delivery priorities mitigated largely by the ability to end the proposed lease in the short / medium term.

Increasing maintenance costs along with potential residual terminal dilapidations costs.

11. **Privacy Impact** – None.
12. **Cosla Policy Position** – None.

List of Background Papers

- (a) Background Paper 1 – Report to the Planning and Property Policy Board on 14th May 2013 entitled – Lease of Premises at 7a Moss Street, Paisley.

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.

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E1595 - Report Plan - 7A Moss Street, Paisley



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Scale - 1:1,000

Department: Development & Housing Services

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