



**Renfrewshire  
Council**

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**To:** Planning & Policy Board

**On:** 23<sup>rd</sup> of August 2016

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**Report by:** Director of Finance & Resources

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**Heading:** Lease Request – 5/1 High Street, Johnstone

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## **1. Summary**

1.1 The purpose of this report is to seek the consent of the Board to grant a lease of 9 years to the existing tenant of 5/1 High Street in Johnstone as shown on the attached plan. .

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## **2. Recommendations**

2.1 Approve the request for a 9 year lease to the existing tenant, Neil Murray, of the subject property on the terms and conditions as detailed within the body of this report.

2.2 Request the Head of Corporate Governance to conclude the lease on behalf of the Council with the existing tenant subject to the terms and conditions detailed within the body of this report.

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## **3. Background**

3.1. The commercial property is located at 5/1 High Street in Johnstone as shown on the attached plan. The property is leased to Mr Neil Murray who is currently using the premises for the purpose of a Newsagent.

3.2. The existing tenant has been in occupation of the premises since the 28<sup>th</sup> of May 2001 when he acquired the property by way of assignation and was granted a 9 year lease extension in 2007.

- 3.3. The 9 year lease was brought to an end as of the 27<sup>th</sup> of May 2016 when the rent was reviewed.
- 3.4. The rent has been increased to £3,700 per annum and the tenant currently occupies in terms of a monthly tenancy agreement, which will be terminated on conclusion of the new longer term lease.
- 3.5. The existing tenant has requested a further lease for a period of 9 years which shall commence on a date to be agreed by both parties.
- 3.6. The following heads of terms have been provisionally agreed which will form the basis of the lease:
  1. The property is let for a period 9 years on the Council's standard Full Repairing & Insuring lease with the date of entry to be agreed by both parties. .
  2. The annual rental shall be the sum of £3,700 which is payable monthly in advance, and by direct debit if so required by the Council.
  3. The rent shall be subject to a review every 3 years from the date of entry.
  4. The premises shall be used as a Newsagent and for no other purpose whatsoever.
  5. It shall be the tenant's responsibility to ensure that any necessary planning, statutory and licensing consents that may be required are secured prior to the date of entry.
  6. The premises are available for lease in their current condition, and any alteration works proposed must be undertaken in accordance with all necessary statutory consents and to the satisfaction of the Director of Finance and Resources.
  7. The Landlord shall procure and maintain buildings insurance for the Subjects of Lease, in terms of its block insurance policy subject to policy excesses and the Tenant will be required to cover the first £250 of this excess should any claim be made against the policy.
  8. The tenant will bear the Council's reasonable professional & legal expenses in concluding the lease, along with any stamp duty, land transaction tax or registration dues.

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## Implications of the Report

1. **Financial** – Security of Income for a Period of 9 Years
2. **HR & Organisational Development** – Not Applicable.
3. **Community Planning –**

- a. **Children and Young People**
  - i. None
- b. **Community Care, Health & Wellbeing**
  - i. Not Applicable
- c. **Empowering our Communities**
  - i. Not Applicable

4. **Legal** – Conclusion of new long term lease
5. **Property/Assets** – As per report.
6. **Information Technology** – Not Applicable
7. **Equality & Human Rights**.
  - (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. 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** – Not Applicable.
9. **Procurement** –Not Applicable.
10. **Risk** – Not Applicable.
11. **Privacy Impact** – Not Applicable.

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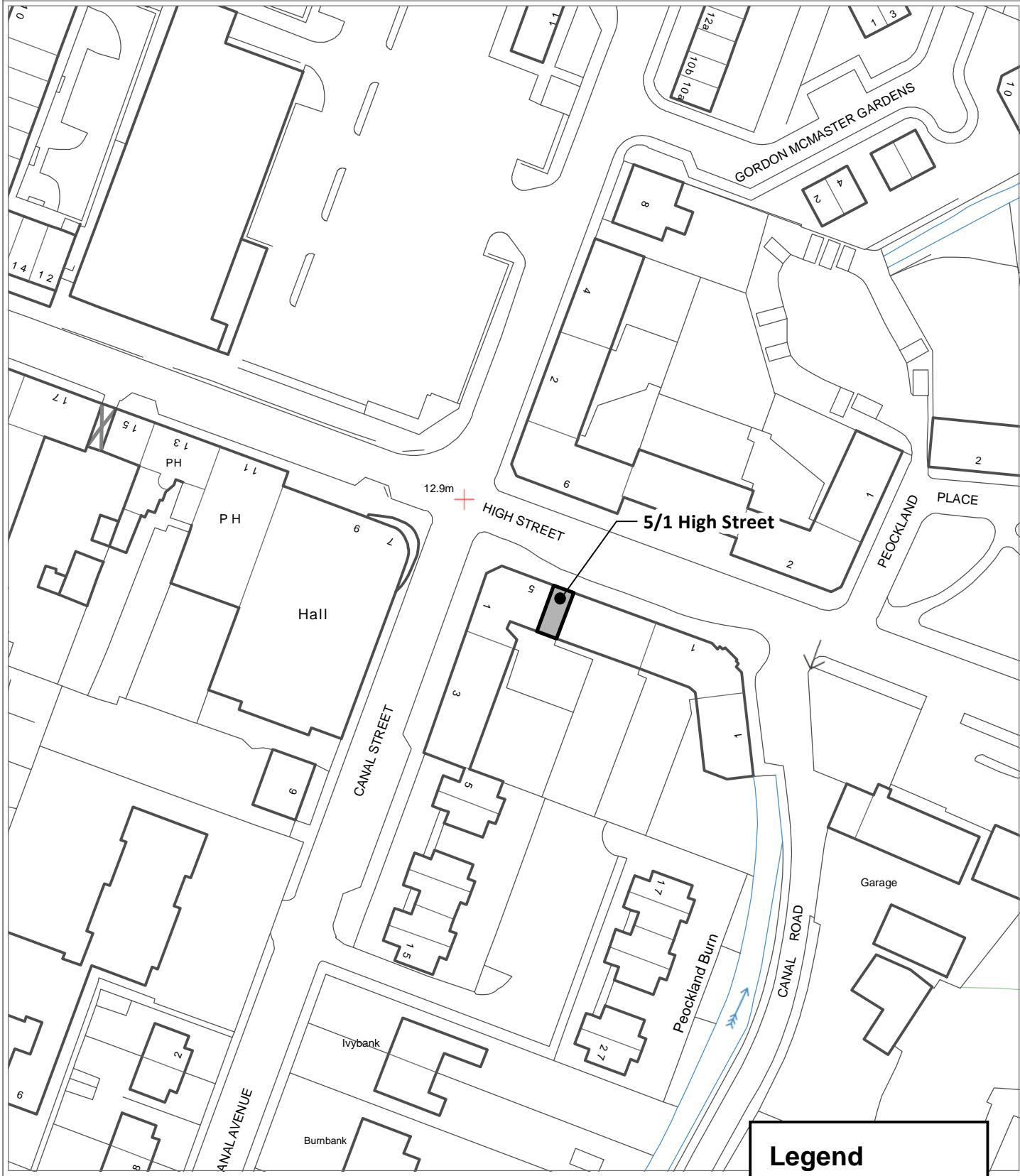
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Date: 27/07/2016



Notes:

### Legend

 Area to be leased