

To: Infrastructure, Land & Environment Policy Board

On: 23 March 2022

Report by: Head of Economy and Development

Heading: Lease of 7, 9, 11 and 13 Dunlop Crescent, Renfrew

1. **Summary**

- 1.1 This report advises the Board on the provisional terms and conditions proposed for a lease of 7,9,11 and 13 Dunlop Crescent, Renfrew.

2. **Recommendations**

- 2.1 It is recommended that the Board -
- i) Grant authority to the Head of Economy and Development and the Head of Corporate Governance to conclude a lease of 7, 9, 11 and 13 Dunlop Crescent, Renfrew on the terms and conditions contained in this report.
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3. **Background**

- 3.1 In December 2018 the Leadership Board approved a new Invest in Renfrewshire initiative targeting businesses looking to make their first step into commercial premises. The first of these initiatives converting vacant, Council owned retail units to low-cost but good quality workspaces, operated by a third-sector partner, is now running successfully at George Street, Paisley under the banner 'Start-Up Street'. Further vacant retail units have been identified at Dunlop Crescent, Renfrew which will follow the same model. In this case to be operated by an enterprise trust, LESL who have significant experience in delivering such initiatives such as Business Gateway services.

- 3.2 Participating businesses will benefit from an on-site business advisor, training space and a shared reception and be able to occupy space for up to two years with lease costs incrementally increasing until they are ready to move to an alternative commercial space in Renfrewshire. The operator will cover revenue and operational costs through the sub-letting of space, to those they are working with, and through grant programmes.
- 3.3 Significant refurbishment and upgrade works are being undertaken by the Council at the Renfrew premises to facilitate the initiative. The four units involved are all vacant former office and shop properties and are part of the Housing Revenue Account portfolio. Shopfront improvements and the removal of a dilapidated canopy and new security grills were installed at a cost of £110,000 in 2020 through the Town Centre Capital Fund. Further capital funding for this specific project was agreed by Leadership Board in September 2021 from the Place Based Investment Programme. Enabling works and asbestos removal have been completed at a cost of £50,000 with main fit-out works being tendered and due to start in April. These works will make internal connections between units 7, 9, 11 and 13 and separate out units 15 – 17 as a stand-alone unit for commercial let.
- 3.4 A lease of 5 years is proposed for units 7-13. A period of discounted rent is proposed as the purpose of the facility is to deliver business creation and economic development outcomes for the local area.
- 3.5 Discussions have taken place with LESL and the following main terms and conditions of lease have been provisionally agreed.
4. **Proposed terms and conditions of lease;**
- i) The date of entry shall be at a mutually agreed date, once the upgrading works have been concluded.
 - ii) The lease shall be for a period of 5 years and shall be on the Council's standard Full Repairing and Insuring style of lease. A break option will be available to both parties at 2.5 years.
 - iii) The initial rent shall be £1.00 pa (if asked), reviewed to market value at 2.5 years.
 - iv) The premises shall be used as a business development hub only.
 - v) Each party shall bear their own legal and professional expenses incurred.
 - vi) Any other reasonable terms and conditions considered necessary to protect the Council's interest.

Implications of the Report

1. **Financial** – No initial rental income.

2. **HR & Organisational Development** – None.

3. **Community Planning**

Our Renfrewshire is thriving – This proposal will support additional business start-up growth and sustainment in Renfrewshire and will occupy vacant space within Renfrew town centre.

4. **Legal** – Property leases required.

5. **Property/Assets** – As per this report.

6. **Information Technology** – None.

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 because no groups or individuals have any involvement currently at the property. 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** – Not applicable.

10. **Risk** – None.

11. **Privacy Impact** – Not applicable.

12. **Cosla Policy Position** – Not applicable.

13. **Climate Risk** – None.

List of Background Papers

i) Report to Leadership Board on 15th September 2021: Place Based Investment Fund 2021/22.

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