

To: Infrastructure, Land & Environment Policy Board

On: 31 August 2022

Report by: Chief Executive

Heading: Renfrewshire Community Meals Service – Lease Renewal

1. Summary

1.1 The purpose of this Report is to seek authority to extend the lease of premises at Unit 11, Baltic Business Park Paisley as shown on report plan E3265. This is for the purpose of continuing the Community Meals Services.

2. Recommendation

The Board is asked to:-

2.1 Authorise the Head of Corporate Governance to extend the lease of 11, Baltic Trade Park, Murray Street, Paisley, as shown on the attached report plan E3265, on the provisional terms and conditions outlined in this report and subject to such other conditions as may be considered necessary to protect the interests of the Council.

3. Background

- 3.1 Renfrewshire Council currently lease premises at Unit 11, Baltic Business Park, Murray Street Paisley for the provision of the Community Meals Service.
- 3.2 The lease commenced on the 29th of September 2010 for a 10 year term which was extended for a period of 5 years on the 29th of September 2017. The existing lease was due to expire on the 28th of September 2022. The current rent is £22,200 + VAT, Service Charge and Insurance. This rent has not been reviewed since the commencement of the extension.
- 3.3 The Service Manager of Renfrewshire Health and Social Care Partnership has advised of the need to continue the Renfrewshire Community Meals Service, initially looking to extend the current lease by one year. This was to allow time to consider the continuation of the service from this property.

- 3.4 The landlord initially agreed to a new lease for a period of 1 year subject to the rent being increased to £26k + VAT, Service Charge and Insurance which would remain the same. The landlord served notice to bring the lease to an end. This increase was reflective of the short term of the lease and of the current market rate for the property.
- 3.5 After further consideration from Renfrewshire Health and Social Care Partnership, it was agreed that a period of 18 months would be required. This was to allow time for the contract for the community meals service to be reviewed, sourcing alternative premises within Renfrewshire Council's ownership and fulfilling the exiting requirements of the lease
- 3.6 A request was made to the landlord to extend the lease by 18 months and to withdraw the notice to quit to allow for an extension to be concluded as to not incur increased fees of a new lease. This request has subsequently been agreed.

4. **Provisional Terms and Conditions**

- Term of Extension 18 months.
- Commencement Date 29/09/2022 coinciding with the expiry of the existing lease.
- Rent £26k per annum from the Commencement Date exclusive of VAT, service charge, insurance, business rates and other outgoings payable as per the existing Lease.
- Each party is responsible for their own legal costs incurred in this transaction.
- The tenant is responsible for any LBTT, VAT and registration dues payable.
- The above terms are subject to the Landlord's formal board approval and conclusion of formal missives.
- The lease transaction shall include such other terms and conditions as may be considered necessary by the Head of Property and the Head of Corporate Governance to protect the interests of the Council.

Implications of this report

- **1. Financial Implications** Annual rental of £26,000 +VAT, Service Charge and Insurance per annum.
- 2. HR and Organisational Development Implications None

3. Community Plan/Council Plan Implications

Wealthier and Fairer – continuation of a popular and well used service.

Smarter - None.

Healthier – beneficial nutrition to client users.

4. Legal Implications – Lease extension to be concluded.

- 5. **Property/Assets Implications** As per this report.
- 6. Information Technology Implications None

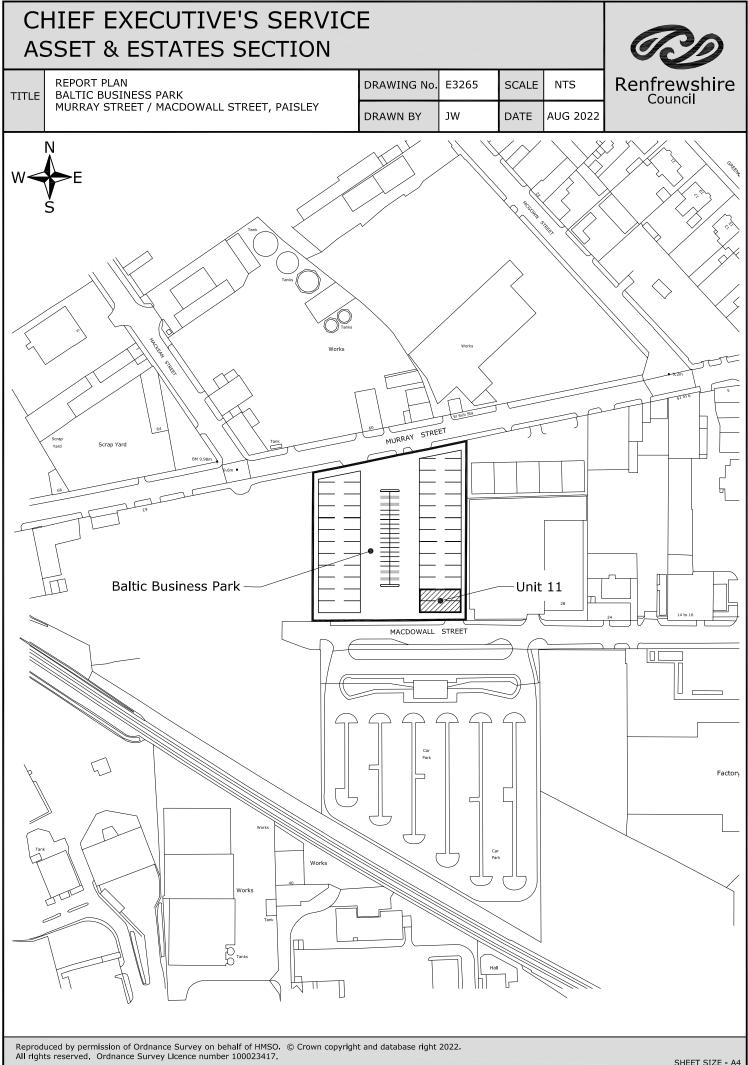
7. Equality and Human Rights Implications

- (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 membership of both groups is open to all members of the community. 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 and Safety Implications None.
- 9. **Procurement Implications** None.
- **10. Risk Implications** None.
- **11. Privacy Impact** None.

List of Background Papers

Report to Council on 6th of June 2017 entitled "**Renfrewshire Community Meals Service –** Lease Renewal".

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