



To: Planning and Property Policy Board

On: 12th May 2015

Report by: Director of Finance and Resources

Heading: Lease of Premises at the Tannahill Centre, Paisley

1. Summary

- 1.1 This report seeks authority to renew the lease of the existing premises used as the Ferguslie Pre-5 Centre within the larger Tannahill Centre facility, shown on the attached Plan Ref: E2283.
 - 1.2 It also seeks authority to renew the lease of the existing premises used as the Ferguslie Library within the larger Tannahill Centre facility, shown on the attached Plan Ref: E2282.
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2. Recommendations

- 2.1 Authorise the Head of Property Services and the Head of Legal and Democratic Services to enter into a new lease of the premises used as the Ferguslie Pre-5 Centre within the larger Tannahill Centre facility shown on the attached Plan Ref: E2283, based on the terms and condition noted in 4 below.
- 2.2 Authorise the Head of Property Services and the Head of Legal and Democratic Services to enter into a new lease of the premises used as the Ferguslie Library within the larger Tannahill Centre facility shown on the attached Plan Re: E2282, based on the terms and condition noted in 4 below.

3. Background

- 3.1. The Ferguslie Pre-5 Centre and Ferguslie Library have operated under separate leases within the Tannahill Centre since 13th October 2006. The

original leases were for 5 years expiring on 29th October 2011, but have been held over on a year to year basis with an actual ultimate expiry on 29th October 2014 for both leases. The occupation of both premises has continued on an informal basis whilst revised lease terms are put in place.

- 3.2. Accordingly, negotiations on the new leases have been provisionally agreed, and are broadly in line with the existing lease terms, but most notably with changes in the rent and service charge provisions. Repairing obligations of the parties to each lease have also been clarified. The revised lease terms are summarised in 4. below.

4.0 Provisional Terms and Conditions

- 4.1 The leases will be for 5 years from the date of entry agreed to be 30th October 2014.
- 4.2 The leases will be on Full Repairing and Insuring Terms, with the Landlord undertaking much of the Tenant's usual repairing obligations, as common practice within the Tannahill Centre. Renfrewshire Council as Tenant will undertake the remnant of works required to comply with its obligations under the proposed lease.
- 4.3 In the case of the Ferguslie Pre-5 Centre, the Rent will rise from £27,544 to £31,931 per annum exclusive of VAT, for the duration of the lease. Renfrewshire Council will pay a Service Charge in addition to the rent from the date of entry and throughout the period of the lease, fixed initially at £36,000 exclusive of VAT for the first year of the lease, rising on the anniversary of the date of entry in each year of the lease thereafter in line with the Retail Price Index.
- 4.4 In the case of the Ferguslie Library, the Rent will rise from £19,300 to £22,374 per annum exclusive of VAT, for the duration of the lease. Renfrewshire Council will pay a Service Charge in addition to the rent from the date of entry and throughout the period of the lease, fixed initially at £25,000 exclusive of VAT for the first year of the lease, rising on the anniversary of the date of entry in each year of the lease thereafter in line with the Retail Price Index.
- 4.5 Each party will bear their own professional and legal expenses in the conclusion of the leases with the Tenant meeting any stamp duty and registration fees due.
- 4.6 The transaction for the new leases will include such other terms and conditions as may be deemed necessary by the Head of Property Services and the Head of Legal and Democratic Services to protect the interests of Renfrewshire Council.

1. **Financial** – Payment of rent, service charge and insurance payments, along with other overheads associated with the continuing operation of the services from these properties.
2. **HR & Organisational Development** - continuation of existing services.
3. **Community Planning – Children and Young People** – continuation of existing services for the local community.
Community Care, Health & Well-being – as above.
4. **Legal** – The Head of Legal and Democratic Services will require to conclude the two lease agreements.
5. **Property/Assets** – As per the 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 as the outcome is a continuation of an existing service. 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** - None
11. **Privacy Impact** – None.

List of Background Papers

- (a) Background Paper 1 - None.
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