

To: Planning & Property Policy Board

On: 8th November 2016

Report by: Director of Finance & Resources

Heading: Proposed Lease of Renfrewshire House (1st Floor South)

1. Summary

- 1.1 The purpose of this report is to seek consent to lease the 1st Floor South of Renfrewshire House, as shown on the attached plan, to the Care Inspectorate.
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2. Recommendations

- 2.1 It is requested that the Board agree to the grant of a lease of the 1st Floor South of Renfrewshire House to the Care Inspectorate on the provisional terms and conditions detailed within the body of this report.
- 2.2 Authorise the Head of Property Services and the Head of Corporate Governance to conclude a lease of this office space protecting the Council's remaining interest in the building.
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3. Background

- 3.1. The Better Council Change programme recognising the change to working practices within the various Council services with increased mobile working and through the reduction in staff numbers, that spare office capacity would exist within Renfrewshire House.

- 3.2. The Head of Property Services was tasked to identify potential tenants to occupy any spare capacity which may exist as any income generated would assist the Council in meeting its necessary savings target.
- 3.3. The Head of Property Services worked closely with the Scottish Futures Trust to try and identify a suitable community partner or government agency who may be looking for office space in the Paisley area, and the Care Inspectorate expressed an interest.
- 3.4. The space identified is currently occupied by Council staff, but it will be possible to relocate the Council staff within Renfrewshire House while accommodating the Care Inspectorate.
- 3.5. The relocation of existing Council staff and the minor works to the space vacated will incur minor relocation costs, it is anticipated this will be met from an existing budget.
- 3.6. Discussions with the Care Inspectorate, who are currently located on the 4th floor on Smithhills Street Paisley, has resulted on the following provisional terms and conditions being agreed:
- The Council will grant to the Care Inspectorate a 10 year lease of the 1st Floor South of Renfrewshire House. The tenant will have a break option at the end of year 5 on giving 6 months prior notice.
 - The initial rent shall be the sum of £73,700 per annum (exclusive of VAT), which shall be subject to a review on the fifth anniversary
 - The tenant shall also meet an annual service charge contribution of £90,200(exclusive of VAT).The service charge will be reconciled on an annual basis and any under or over charge credited or debited accordingly
 - The Care Inspectorate will be provided with the existing Council desks and ECO storage space unit as currently located on the floor for their own use.
 - The Council will undertake minor redecoration work and low cost refurbishment to the Kitchen area as part of the fit-out for the Care Inspectorate.
 - The Care Inspectorate shall at its own cost meet and install any necessary computer server and hard ware, liaising with the Council's IT service to ensure appropriate installation.

- Discussions with the Care Inspectorate on parking at Renfrewshire House are continuing and currently they have been offered up to 14 car park passes, given the space they will occupy. The Care Inspectorate have still to advise whether they will need all 14 passes or a lower number, recognising that the car parking at Renfrewshire House is already oversubscribed.
- The date of entry has been provisionally agreed as the 3rd March 2017, if the Care Inspectorate obtains ministerial consent for the proposed relocation.
- Each party shall bear their own professional and legal expenses in concluding the lease, but the Care Inspectorate will be responsible for meeting any stamp duty, taxes or lease registration dues.

Implications of the Report

1. **Financial** – A rental and service charge income totalling £163,900 will be received.
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 a lease with the Care Inspectorate.
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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Ref: Document2

Date: 31/10/2016



Renfrewshire Council

Renfrewshire House, Cotton Street, Paisley

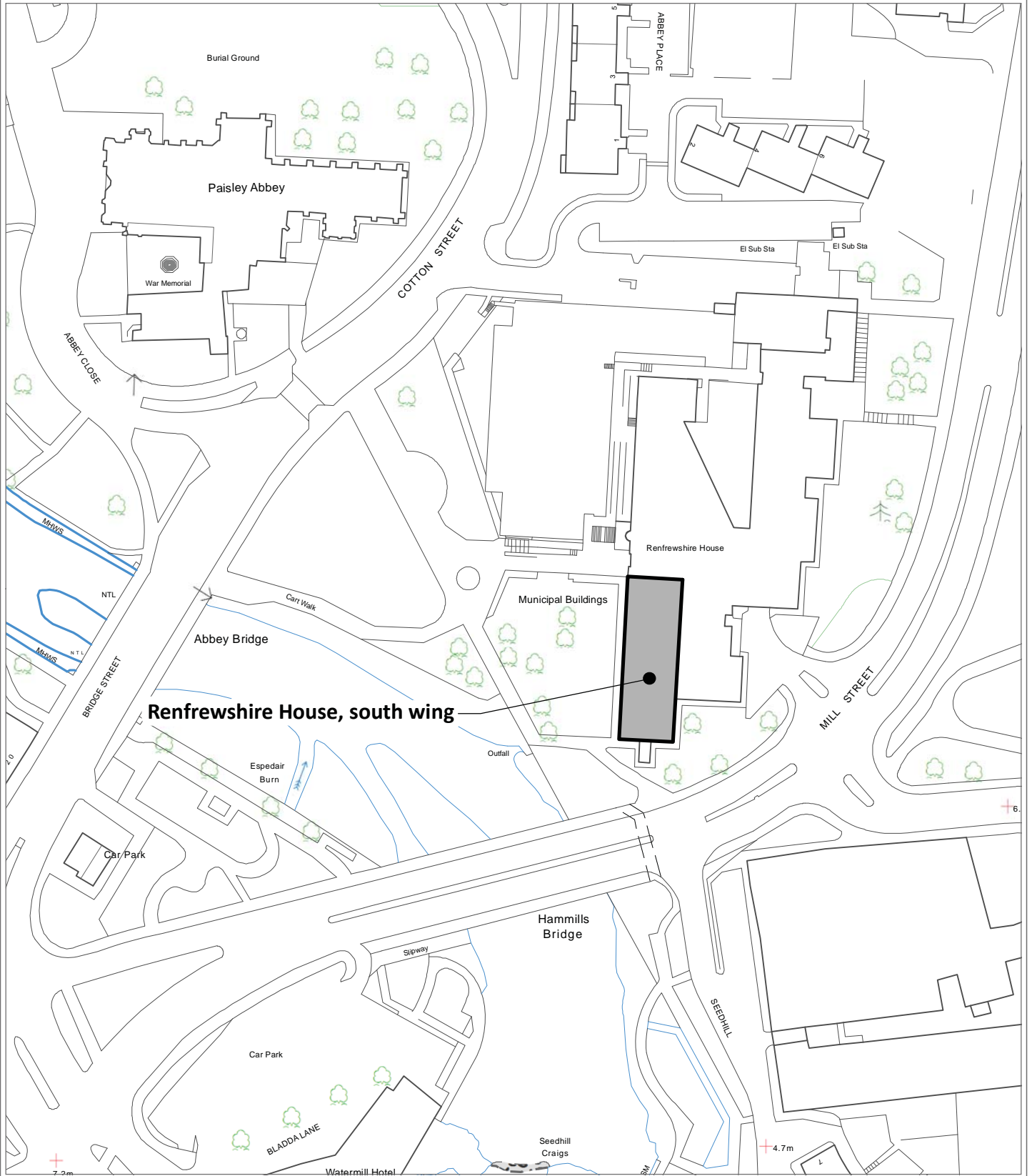
Report Plan Ref. E2511



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Date: 14/10/2016



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