



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Asset Management: Consumer Advice Centre, Wellington Place - Lease Renewal
<b>Date:</b>	20 November 2009
<b>Reporting Officer:</b>	Gerry Millar, Director of Improvement Ext 6217
<b>Contact Officer:</b>	Cathy Reynolds, Estates Surveyor Ext 3493

### Relevant Background Information

The Council's Consumer Advice Centre occupies premises at Wellington Place by virtue of a 10 year lease from 1 August 1999 (subject to 5 yearly rent reviews). The rent payable for the 5 years from the 1 August 2004 is £35,200 pa. The Consumer Advice Centre has occupied the premises from 16 May 2006 following vacation by the former Belfast First Stop Shop, who had previously held the lease. The lease of the premises was due for renewal on 1 August 2009 and protracted negotiations have subsequently taken place between the Landlord's Agent and the Estates Management Unit.

### Key Issues

- Initial proposals from the Landlord's Agent were for a further 10 year term at a rent of £60,000 pa with five year rent reviews. However, following negotiations a revised rent of £42,300 pa on a 5 year term with break options at the end of years 1, 2 and 3 has been provisionally agreed.
- The shorter lease term and break options provide greater flexibility in terms of the Council's future occupational requirements.

**Resource Implications****- Financial**

Revised rent of £42,300, an increase from the passing rent of £35,200 which was last reviewed on 1<sup>st</sup> August 2004. The Health & Environmental Services Department are responsible for payment of the rent.

**- Human Resources**

Estates Management & Legal Services resources required to progress lease renewal.

**- Asset and Other Implications**

Shortened lease term and break clause provide increased flexibility to the Council if occupational needs change in the short term.

**Recommendations**

Committee is recommended to grant approval to the renewal of the lease for the Consumer Advice Centre, Wellington Place on the terms as outlined above, subject to a suitable legal agreement being approved by Legal Services.

**Decision Tracking**

The Director of Improvement & Director of Legal Services to ensure that the lease renewal process is completed within 6 months.

**Key to Abbreviations****Documents Attached**