

Report of	Meeting	Date
Director (Commercial Services) (Introduced by the Executive Member (Resources))	Executive Cabinet	16/1/2020

STRAWBERRY FIELDS DIGITAL OFFICE HUB - GRANT OF LEASES

PURPOSE OF REPORT

1. To seek authority for the grant of leases for offices at the Strawberry Fields Digital Office Hub

RECOMMENDATION(S)

2. That the Executive Member for Resources have delegated authority to approve the terms for all leases at the Strawberry Fields Digital Office Hub where the proposed terms are in accordance with commercial rates and the financial model, and to authorise the Director of Governance to complete leases on the approved terms.

EXECUTIVE SUMMARY OF REPORT

3. The Strawberry Fields Digital Hub is a brand new, state of the art, hi-tech business centre for digital and creative businesses, providing collaborative space and bespoke office suites, from new start-ups to growing SMEs.
4. A range of office environments has been created to include hot-desking, micro pods and offices for companies seeking flexibility and growth to larger office suites available on conventional lease terms.
5. There will be access to training and meeting rooms, presentation facilities, hi-speed broadband, cloud storage and secure wi-fi plus on-site business support with links to academia.
6. These options will allow start-ups and SMEs to work alongside each other in an innovative, supportive and vibrant environment.
7. Business support will be provided by on-site Digital Business and University Advisors, with the latter providing connectivity to academia.
8. Immediate occupancy and flexible terms will be available to allow for future growth and expansion within Strawberry Fields.
9. This report seeks authority for the terms agreed for the grant of all Leases at the Digital Office Hub to be delegated to the Executive Member for Resources

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- To enable terms provisionally agreed with tenants to be approved without the need to wait for a scheduled cabinet meeting which may lead to delay in the processing of applications where the proposed terms meet local market commercial rates and comply with the Council approved financial model for the facility.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- To report each transaction for cabinet approval will lead to delay in the processing of applications

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	X
Clean, safe and healthy homes and communities		An ambitious council that does more to meet the needs of residents and the local area	X

BACKGROUND

- The construction of the Digital Office Hub has now been completed
- Offices are now being marketed with a view to terms being agreed with prospective tenants
- In order to process applications for Leases quickly, approval is now sought to report each application for approval under Executive Member Approval

IMPLICATIONS OF REPORT

- To report each individual transaction over £100,000 (i.e. Key Decision) to scheduled Cabinet Meetings may lead to delays in completing Leases which may deter prospective tenants.
- This report has implications in the following areas and the relevant Directors' comments are included:

Finance	X	Customer Services	
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

18. All potential tenant’s financial standing will be assessed to ensure the risk of non-payment is minimised. The MTFS will be updated as new agreements are signed and new tenants occupy Strawberry Fields. All agreements will be checked against previous assumptions and previously agreed rates. Promoting the increased occupancy of Strawberry Fields will improve the council’s return on its investment as well as reducing its business rates liability on vacant space.

COMMENTS OF THE MONITORING OFFICER

19. The proposed delegation enables matters to be progressed more quickly. Transparency in decision making will be maintained as such decisions will be EMD’s and published appropriately. The constitution allows for Executive Members to make key decisions however, a specific delegation in this instance provides for greater transparency.

Mark Lester
DIRECTOR OF COMMERCIAL SERVICES

Report Author	Ext	Date
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