

Report of	Record of	Date
Director (Commercial Services) (Introduced by Executive Member (Resources))	Executive Member Decision	19/04/23

Grant of a Lease - Office 16 - Strawberry Fields Digital office Hub

Is this report confidential?	Yes - it contains commercially sensitive information relating to the financial or business affairs of the proposed tenant
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Is this decision key?	No
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Purpose of the Report

- To seek approval to the grant of a 3-year lease of Office 16 at Strawberry Fields Digital Office Park

Recommendations

- That the terms reported are approved and a 3-year lease be granted to Jarion Limited
- That authority is granted to issue instructions to the Director of Governance (Chorley and South Ribble) to complete the standard lease agreement

Reasons for recommendations

- To promote economic growth in Chorley and to generate revenue to ensure that the Strawberry Fields development is financially sustainable

Other options considered and rejected

- To proceed without the grant of a lease would place both parties at significant legal risk

Corporate priorities

- The report relates to the following corporate priorities: (Please bold one)

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

Background to the report

- Terms have been provisionally agreed for the grant of a 3-year lease of Office 16 to Jarion Limited. Jarion Limited are already in occupation under the terms of a short term licence and the lease will confirm their occupation going forward as follows:

8.

Tenant	Jarion Limited Haines Watts, Northern Assurance Building Albert Square, 9-21 Princess Street, Manchester, M2 4DN
Company Number	10493796
Office	Office 16 at Strawberry Fields
Use	Office business support service activities
Term	3 years from 13/9/22 Break clauses every 12 months' - 6 months' notice required
Monthly Rent	£839.58 plus VAT PCM
Monthly Service Charge	£326.50 plus VAT PCM
Parking	No reserved parking
Incentive	None
Business Rates	Tenant to be responsible for payment of Business Rates unless exemption applies

9. The rent and service charge amounts are standard amounts for all Strawberry Fields tenants based on £18.00 per square foot for Rent and £7.00 per square foot on the Service Charge
10. A bench marking exercise is regularly undertaken to ensure the total of rent and service charge is comparable to other local office spaces

Climate change and air quality

11. The Digital Office Park has a BREEAM rating of Very Good
12. BREEAM is the world's leading sustainability assessment method for master planning projects, infrastructure and buildings.
13. It recognises and reflects the value in higher performing assets across the built environment lifecycle, from new construction to in-use and refurbishment.
14. BREEAM does this through third party certification of the assessment of an asset's environmental, social and economic sustainability performance, using standards developed by BRE.
15. This means BREEAM rated developments are more sustainable environments that enhance the well-being of the people who live and work in them, help protect natural resources and make for more attractive property investments.
16. The proposed tenant has been made aware of the Council's Green Agenda and has been asked to provide evidence and information on any initiative and/or policies that they operate which support the Green agenda

Equality and diversity

17. The proposed tenant has been asked to provide evidence of their Equality and Diversity Policies.

Risk

18. Proceeding without the completion of a formal lease agreement would place both parties at risk from a legal perspective

Comments of the Statutory Finance Officer

19. This income is in line with the current forecasts for Strawberry Fields and is an extension for an existing tenant. The rental and service charge costs are as per current charges but will be increasing from 1st April as approved at Executive Cabinet in January 2023.

Comments of the Monitoring Officer

20. The grant of the lease must be for the best available consideration and comply with the best value duty in the Local Government Act 1999..

There are no background papers to this report

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Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained in Paragraph 2 & 3 of the report in accordance with my delegated power to make executive decisions.

Councillor Peter Wilson
Executive Member for Resources Dated 23.05.23

This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.