

Delegated Decision Front Sheet

Officer Decision

OFFICER: Michael Canavan	SERVICE AREA FUNCTION: Economic Growth	DATE: 24 th July 2018	
DECISION NO:	DELEGATION POWER Delegated authority for the Strategic Director, Finance and Governance and Support; in consultation with the Deputy Mayor/Executive Member for Finance and Executive Director for Growth and Place.	CHECKS & BALANCES: Strategic Finance – Ian Wright/Paul Shout Legal Services – Jo Youngs	
DETAILS OF DECISION: To approve the contractual terms set out in the contractual documents as part of the least the Council is taking as the tenant of building 1 and head lease of building 2 at Centre Square		IS IT A KEY DECISION? Y	
REASONS FOR DECISION: Within the Executive report of 20 th February 2018 – Centre Square East Office Development – Council Investment and Accommodation, a baseline position was presented on the terms of lease, through further negotiations with Ashall Projects and requests from the capital funders of the project there have been some minor amendments to the terms within the report. The decision will provide the approval for the contractual terms set out in the lease agreement documents the Council is taking as the tenant of building 1 and 2 at Centre Square as set out in appendix 1.			
BACKGROUND On the 20 th February 2018, the Council's Executive approved the investment in office space at land east of Centre Square for the purposes of (i) securing an efficient, cost-effective and sustainable solution for the long-term accommodation of Middlesbrough Council staff and (ii) investment in a second building in the development to achieve a commercial return for the Council. Within this report delegated authority was granted to the Strategic Director, Finance and Governance and Support; in consultation with the Deputy Mayor/Executive Member for City Centre Strategy, the Executive Member for Finance and Governance and Executive Director for Growth and Place to agree: <ol style="list-style-type: none"> 1. The substantive rental agreement (only where this has a positive net effect on the financial case) and is within the parameters of external advice; 2. All operational decisions, site management obligations / arrangements and contractual arrangements associated with the management and administration of the principal and underlet lease agreements; 3. The eligibility criteria for tenant businesses in the sub-let property; 4. All contractual commitments for site marketing, maintenance and site management; and, 5. Final approval of fit-out specification for the Council's accommodation The headline terms presented to Executive have improved in terms of rental agreement and overall cost to the Council. Appendix 1 sets out the contractual documents and any elements where there has been any differentiation from the initial terms approved by Executive.			
SIGNATURE:	DATE:	SIGNATURE:	DATE:

Karl Taylor

30-7-18

Joe B-A

27.7.18

Executive Director Growth and Place		Strategic Director of Finance, Governance and Support	
SIGNATURE:	DATE:	SIGNATURE:	DATE:
Deputy Mayor/Executive Member for City Centre Strategy		Executive Member for Finance and Governance	