

**UNIVERSITY HOSPITALS BIRMINGHAM NHS FOUNDATION TRUST
REPORT TO BOARD OF DIRECTORS
ON THURSDAY 28 OCTOBER 2010**

Title:	THE SEALING & SIGNING OF A LEASE FOR UNITS 2, 4, 6 & 8, BIRMINGHAM RESEARCH PARK
Responsible Director:	Tim Jones, Executive Director of Delivery
Contact:	Hilary Fanning, Head of Clinical Redesign (Extension number 13697)
Purpose:	The purpose of this paper is to request approval from the Board of Directors to seal and sign, in accordance with Standing Order 6.1, a Lease.
Confidentiality Level & Reason:	None
Annual Plan Ref:	Aim 3: Research and Innovation - To ensure UHB is a leader of research and innovation
Key Issues Summary:	<ol style="list-style-type: none"> 1. Additional office accommodation requirements for CLRN which is hosted by the Trust 2. Proposed lease terms 3. Authorisation to exercise the powers of the Trust
Recommendations:	<p>The Board of Directors is asked to resolve as follows:</p> <p>To authorise the Executive Director of Delivery and the Senior Manager, Birmingham and Black Country CLRN, to negotiate, approve and amend the Lease and any associated documents; and</p> <p>To authorise any one or more Directors of the Trust and the Foundation Secretary to sign, execute and deliver the Lease and any associated documents.</p>

Signed:	Date: 12 November 2010
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UNIVERSITY HOSPITALS BIRMINGHAM NHS FOUNDATION TRUST

**REPORT TO BOARD OF DIRECTORS
ON THURSDAY 28 OCTOBER 2010**

**THE SEALING & SIGNING OF A LEASE FOR UNITS 2, 4, 6 & 8, BIRMINGHAM
RESEARCH PARK**

PRESENTED BY THE EXECUTIVE DIRECTOR OF DELIVERY

1. Purpose

The purpose of this paper is to request approval from the Board of Directors to seal and sign, in accordance with Standing Order 6.1, a Lease. This will enable the Birmingham & the Black Country Comprehensive Local Research Network (CLRN) to accommodate existing space requirements and expand. The Trust is host to CLRN under an Agreement which expires on 30th June 2012.

2. Background

- 2.1 Due to an increase in staff numbers the CLRN have looked at alternative office space. It has been confirmed that there is nothing appropriate available at the Trust, and if they moved elsewhere they will need to pay for cabling/networking etc, which is already in place in the current office location at Birmingham Research Park. The benefits of free parking and the central location mean that people from across the region are happy to go to the current location for meetings/training, reducing the CLRN's costs associated with hiring rooms, catering and travel.
- 2.2 The CLRN are currently paying £42k for accommodation for the CLRN staff at the Birmingham Research Park. The additional office space being sought is almost identical in size to what they currently have, so the total cost will be about double the current rate. The NIHR Coordinating Centre has been consulted and has confirmed agreement to proceed on this basis.
- 2.3 CLRN currently recharges approx £20k to other Trusts towards the cost of posts already in place, and will also receive income of around £10k from the CLRN RM&G Consortium to cover their office accommodation costs. The remainder will come from the CLRN's delivery budget (already identified in this year's contingency budget and will be ring-fenced in future years), and this will cover the cost of the new board room, which is necessary for meetings and increased training events.

3. Proposed Lease Terms

The proposed lease terms are as follows:

3.1 Lease Term

To co-terminate with existing lease which expires on 31/03/2013.

3.2 Rent

One month from the lease commencement date at a rental rate of 'one peppercorn' followed by a rental rate of £15.40/sq.ft/pa + VAT to the rent review date (31/03/2012) and thereafter for the remainder of the term at a rate of £15.85/sq.ft/pa

3.3 Service Charge

The initial service charge £5.35/sq.ft/p.a. + VAT - Reviewable annually.

3.4 Dilapidations

Upon the termination of the Lease to reinstate the Unit to the original condition at the commencement of the Term if asked to do so by the Landlord.

3.5 Landlord and Tenant Act

The lease to be written outside the Landlord and Tenant Act 1954, sections 24 - 28 inclusive.

3.6 Legal Costs

The Tenant is liable for the Landlord's reasonable legal costs.

3.7 Special Clauses

Special Mutual Break Clause allowing termination of the lease on the 31 March 2011 and 31 March 2012 subject to notice being received in writing by the Landlord/Tenant on or before 1st January 2011 or 2012 (not less than 3 months notice) or notice being received in writing by the Landlord/Tenant on or before 1st February 2011 or 2012 (not less than 2 months notice). Break operable subject to the Tenant substantially performing its obligations under the Lease.

Save as per the above; proposed Lease to be substantially on the terms of the Tenant's existing Lease for the adjoining property. The proposed changes will enable the Birmingham & the Black Country Comprehensive Local Research Network (CLRN) to accommodate existing space requirements and expand.

4. **Summary**

This paper proposes that the most financially viable as well as practical option to meet the CLRN requirement for increased office accommodation is to lease the additional space at the Birmingham Research Park. The costs will not be met by the Trust, and the NIHR understand that this is a cost linked to delivery posts.

5. **Recommendations:**

The Board of Directors is asked to resolve as follows:

That:

Mr Tim Jones, Executive Director of Delivery, and Ms Theresa Morton, Senior

Manager, Birmingham and Black Country CLRN, be and are severally authorised to exercise the powers of the Trust in relation to negotiating, approving and amending the Lease and any associated documents, without limitation save that such authority may only be exercised to the extent that the Lease is materially as described in this Report, and to do all such acts and things as may be required in order to give effect to the Resolution(s) resulting from this Report and implement the Lease including the finalising and delivery of all such notices, confirmations, applications, letters, transfers, appointments, certificates, powers of attorney, deeds, forms, notice of drawing, notice of withdrawal or notice of utilisation and any other documents as required; and

any one or more Directors of the Trust and, in the case of any documents that are Deeds, the Foundation Secretary, be and are severally authorised to sign, execute and deliver the Lease and any associated documents save that, where any such other documents are Deeds, execution will be by any two Directors or a Director and the Foundation Secretary.

Tim Jones
Executive Director of Delivery