

Prepared by: Jonny Richardson Glenn Date: 14th July 2020

Agenda no: 6f

Purpose of the paper

For Discussion and Approval

Background and context

Lease for King Street is due to expire in December 2020.

Move to King Street was instigated by organisational growth, and particularly to accommodate Safespace. Lease 5th Dec 2017 @ £19,000 per annum. Landlord waived VAT. Break clause at 18 months. Since taking on the lease, we have completed significant building works at a value of £48,000+.

Where are we now?

We need to consider options for renewal.

What are the key issues?

Many Healthy Minds services are funded securely until 2022. We have core funding from Henry Smith Charity and Lloyds Foundation that comfortably covers King Street rental. Office accommodation is just about sufficient for current staff team. Some reconfiguration will be needed to fit additional desks with team expansion. Lockdown has demonstrated some value in remote-working, however, which may change the need for physical space and, for a time at least, we will need arrangements to ensure limited numbers on the premises at any one time.

Physical access for people with mobility problems remains problematic. However, in the property search that resulted in King Street, we had looked at just about every commercial property available. The difficulties in enabling access were unforeseen despite expert opinion from architects and builders. Just prior to lockdown, we had revisited the access issue with specialist providers and some solutions and costs prepared.

We have an established presence at King Street and I suggest that the positives outweigh negatives. My preference is to remain at King Street.

Tenancy is likely to be for a further 3 years, with break clause at 18 months. As funding beyond 2022 is not guaranteed, this comes with risk. When we first took on King Street, however, the same risk existed.

What is asked of trustees?

Consideration of proposed actions:

- Start discussions re. lease renewal with Bramleys (estate agent). There is some suggestion in the sector that commercial tenants / landlords are negotiating in aftermath of CV19 impact – it is worth seeking advice on this.
- We have made significant investment and that ought to put us in a good negotiating position. My inclination is to offer exactly the same terms as present, without inflation, on basis that we have added value. This may also minimise legal costs for tenancy.

Finance

Lease financial terms.

Legal costs for tenancy renewal.

Recommendation

Board approves suggested actions.