



Subject:	Asset Management: (i) Port Health Unit, Corry Place – Lease Renewal (ii) Proposed Grant of Easement to Victoria College, Belfast
Date:	22 January 2016
Reporting Officer:	Gerry Millar - Director of Property & Projects Department
Contact Officer:	Cathy Reynolds – Estates Manager, Property & Projects Department

Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to outline a number of asset related issues for Members' consideration.
2.0	Recommendations
2.1	(i) Port Health Unit, Corry Place – Lease Renewal Committee is asked to agree the recommendation of the People and Communities Committee dated 12 January 2016 to renew the Lease for the Port Health Unit premises for a further 10 years from 1 November 2015 at a reduced rent of £23,000 per annum.
2.2	(ii) Proposed Grant of Easement to Victoria College, Belfast Committee is asked to agree the recommendation of the People and Communities Committee dated 12 January 2016 to grant an easement to Victoria College to provide access over Council land at Drumglass Park for a proposed drainage pipe and manhole.

3.0	Main report
	<p>(i) Port Health Unit, Corry Place – Lease Renewal</p> <p><u>Key Issues</u></p> <p>3.1 The Council occupy (by way of a Lease from Belfast Harbour Commissioners) specialist premises at Corry Place within the Harbour Estate for the inspection of imported foods and delivery of the Port Health Function.</p> <p>3.2 These premises have been specifically designed and approved as meeting the requirements of EU legislation for the inspection of high risk foods, including foods of animal origin. Such foods can only be imported into the EU through port accommodation with similar facilities. The premises include office space, inspection rooms, cold storage space, docking stations for loading/unloading containers and exclusive use of a secure yard to the front of the facility. The premises are currently held under a 9 year lease which expired on 1 June 2015 (and Council have continued to over hold under this lease).</p> <p>3.3 The former Health and Environmental Services Committee at its meeting on 4th March 2015 agreed that the Estate Management Unit would enter into discussions with Belfast Harbour to negotiate a new lease.</p> <p>3.4 After extensive negotiations provisional agreement has been reached to renew the Lease for a further 10 years from 1st November 2015 subject to a rent of £23,000 per annum with a rent review after 5 years. This is a substantial reduction in the passing rent of £35,103 per annum. To add flexibility to the Council's tenure, break options in the Council's favour to terminate the Lease after the 4th and 7th years have also been agreed. In addition, more favourable lease terms have been agreed in relation to the ability to assign or sublet; the user clause and repair obligations.</p> <p>3.5 The People and Communities Committee at its meeting on the 12 January 2016 approved the Lease renewal.</p> <p>3.6 <u>Financial & Resource Implications</u></p> <p>The Council will lease the premises for a further 10 years from 1st November 2015 subject to an annual rent of £23,000 per annum a reduction from the current rent of £35,103 per annum. Legal Services and Estates Management Unit resources will be required to complete the lease renewal.</p>

3.7	<p>(ii) Proposed Grant of Easement to Victoria College, Belfast</p> <p><u>Key Issues</u></p> <p>3.8 The surface water drainage system along the northern boundary of the school grounds is in very poor condition and largely ineffective. This boundary adjoins the Council's Drumglass Park and consists of an old 10ft (3.0m) high brick wall. The poor drainage allows for a build up of surface water on the school side of the wall which drains through weep holes and saturates the Council's adjacent park land. The Council had asked the school to install a new drainage system to prevent the ingress of surface water into the park.</p> <p>3.9 Civil engineers acting for the school have designed a system which entails draining the surface water into an existing manhole within the Park approximately 30m from the school boundary. The design and specification has been agreed with the Council's engineer and the works must be carried out to the Council's satisfaction.</p> <p>3.10 The easement will provide the College with a right of access to carry out repairs and maintenance for which they will be fully liable. The college shall also be liable for a 50% contribution to the costs of repairing and maintaining the Council's drainage infrastructure from the manhole to the NI Water adopted sewer as this will become a shared facility.</p> <p>3.11 The People and Communities Committee at its meeting on the 12 January 2016 approved the grant of easement.</p> <p><u>Financial & Resource Implications</u></p> <p>All works will be carried out by the College at no cost to the Council. The easement will be subject to single payment to the Council of £1,000. The Council's Estate Management Unit and Legal Services Department will prepare the legal documentation and Council's Project Management Unit will approve the works on completion. The works will improve surface water drainage to the betterment of Council owned Park.</p>
4.0	Appendices – Documents Attached
4.1	None