

Greater Manchester Combined Authority

Date:	22 March 2024
Subject:	GMCA Tootal Buildings Lease Renewal
Report of:	Eamonn Boylan, Chief Executive Officer, GMCA & TfGM

Purpose of Report

This report is to seek approval to enter into a new lease on new terms and cost profile for the current space and occupancy at Tootal GMCA offices (Broadhurst House & Lee House as per current footprint of 34'500 sf).

Members are asked to approve the lease contract with the landlord and the budget to enter a 10-year term with an option to break at year 5 as noted in the body of the report. For clarity, the contractual and financial commitment and approval would be for 5 years, and a further approval would be required at year 4 to exit or extend via break clause)

Recommendations:

The GMCA is requested to:

- Approve the Lease renewal for accommodation within the Tootal Buildings to be occupied by the GMCA on a 10-year term with 5-year break option as per the terms set out in the corresponding Part B report.
- Delegate authority to the GMCA Solicitor and Monitoring Officer and GMCA Treasurer to finalise the terms and complete the lease and any related documents required to give effect to this decision.

Contact Officers

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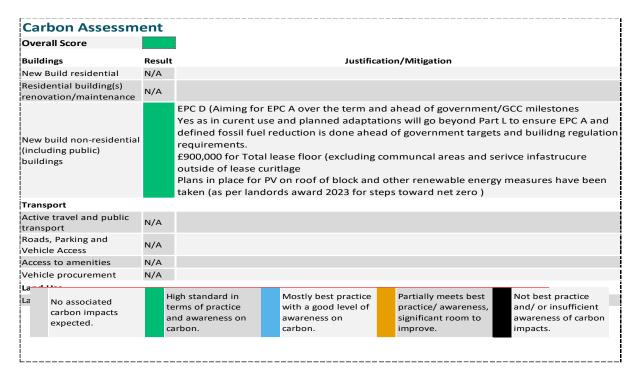
Equalities Impact, Carbon and Sustainability Assessment:

Recommendation - Key points for decision-makers

Positive impacts overall can be noted in the table below around the impact of the decsion to extend the Lease and the GMCA to remain at Tootal Building. The impacts for staff and wider economic ouputs are at least sustained by the decsion to remain in this location and expected to improve as the utilisation of the building for staff and visitors increases. The Carbon measures for the building towards EPC A and removal of fossil fule reliance are expressed and appended to the contract.

Impacts Questionnaire

	Impacts Questionnaire					
Impact Indicator	Result	Justification/Mitigation				
Equality and Inclusion						
Health						
Resilience and Adaptation						
Housing						
Economy	G	Increase and sustain employment opportunites with the office location desirable location with good travel and transport links Retain and attract good jobs due to location and office setting and wider services offerd by lanlord (bike storage/ meeitng areas/ coffee shop / showers and changing facility/ EV chargers etc maintain footfall of located staff and partner organisations visiting and utilsing local amenties, to maintain and increase economic outputs The building will undergo significant capital works to improve the Green sustainable outcomes and adaptations towards modern office workign environment.				
Mobility and Connectivity						
Carbon, Nature and Environment						
Consumption and Production						
Contribution to achieving the GM Carbon Neutral 2038 target Fur G Positive impacts overall, whether long or short term.		The terms of the Lease commit the Lanlord to reducing the Carbon ouputs to an EPC A standard and commitment to remove fossil fuel reliance. Alos EV chargers are to be installed and accessed by GMCA and partner visitors. Embeded carbon should be limited but changes to the offcie envirnment and interals need to reflect adaptable and Mix of positive and negative impacts. Trade-offs to consider. R Negative impacts overall.				



Risk Management

n/a

Legal Considerations

The GMCA has power to acquire property for its use and occupation and any legal implications are set out in the heads of terms detailed in the Part B report

Financial Consequences – Revenue

GMCA Treasurer has been consulted and financial requirements of the lease have been built into the budget and detailed in Part B Report.

Financial Consequences – Capital

n/a

Number of attachments to the report:

1 attachment - Part B Confidential report only

Comments/recommendations from Overview & Scrutiny Committee

n/a

Background Papers

n/a

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

Yes

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

n/a

GM Transport Committee

n/a

Overview and Scrutiny Committee

n/a

1. Background and Rationale

- 1.1. At its meeting on 30th September 2016 the Combined Authority agreed that the administrative headquarters for GMCA should be located at 1st floor Broadhurst House (formerly known as Churchgate House). Leaders had previously agreed that an office location in the regional centre would be preferable, due to the need for transport links to all parts of GM.
- 1.2. A second lease was entered into in April 2019 in the adjacent building (2nd floor Lee House). Collectively both Broadhurst House and Lee House are known as Tootal Buildings which recognises the heritage of the two buildings. The suites that GMCA occupy are approximately 21,000 and 13,500 square feet respectively and currently host the GMCA staff and other partner organisations.
- 1.3. Following an options appraisal that considered other locations and lease terms, it was agreed in principle that the GMCA would remain and extend the lease for the Tootal Building (Broadhurst House and Lee House existing footprint) at the HQ for GMCA (Greater Manchester Combined Authority) subject to presenting lease terms and budget requirements to the Treasurer, to ensure budget requirements and terms could be understood, forecasted, and signed off.
- 1.4. GMCA Property & Land function had approval to enter into negotiations with the landlord to consider options for lease terms, reduced footprint options, decarbonisation plans and consideration of sub-let options with integrated public partners. Following this approval an independent lease specialist was instructed to negotiate terms.
- 1.5. The Land and Property function appointed an external independent consultant, who negotiated with the landlord to agree the lease for a 10-year period, with a break clause at year 5, allowing the GMCA to exit the contract. The budget required and contractual obligation of the lease is for a 5-year term only. Further approval would be required at the 5-year break clause to extend for a further 5 years.