

---

<b>Report To:</b>	<b>Environment &amp; Regeneration Committee</b>	<b>Date:</b>	<b>26 August 2021</b>
<b>Report By:</b>	<b>Interim Service Director, Environment &amp; Economic Recovery</b>	<b>Report No:</b>	<b>ENV016/21/SJ/GC</b>
<b>Contact Officer:</b>	<b>Stuart Jamieson</b>	<b>Contact No:</b>	<b>712402</b>
<b>Subject:</b>	<b>Retail Premises 5 Broomhill Way, Greenock, Lease Assignment</b>		

---

## 1.0 PURPOSE

- 1.1 The purpose of this report is to seek Committee approval to permit the assignment of the lease of the subjects 5 Broomhill Way, Greenock currently held by Mr Tak Yau Liu, who operates a hot food take-away business from the premises, to Mr Zheng Ming Zhong.

## 2.0 SUMMARY

- 2.1 The current tenant Mr Tak Yau Liu (“the Tenant”) has occupied the premises at 5 Broomhill Way, Greenock (“the Subjects”) since July 2002 and has operated a successful business as a hot food take-away. The current lease has been in effect since 23 September 2019 and expires on 22 September 2034.
- 2.2 The Tenant seeks to transfer his business to Mr Zhen Ming Zhong (“the Assignee”). As part of this process the Tenant seeks the consent of the Council as Landlord to Assign his interest as tenant to the Assignee. Personal checks have been carried out on the Assignee, with no issues having been highlighted.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee delegates authority to the Interim Service Director, Environment & Economic Recovery to consent to an assignment by Mr Tak Yau Liu of his interest as tenant in a lease of 5 Broomhill Way, Greenock to Mr Shen Ming Zhong, and that on such terms as are recommended by the Interim Head of Legal Services and the Interim Service Director, Corporate Services & Organisational Recovery.

**Stuart Jamieson**  
**Interim Service Director, Environment & Economic Recovery**

## 4.0 BACKGROUND

- 4.1 The Tenant has leased the Subjects from Inverclyde Council on Full Repairing and Insuring (FRI) Terms since July 2002 following an assignation of the tenant's interest in a previous lease.
- 4.2 Following expiry of the previous lease, the current fifteen year lease of the subjects was granted, following Committee approval, effective from 23 September 2019 to 22 September 2034. The passing rental of the subjects, set at lease renewal, is £6,500 per annum. The annual rental for the subjects will be reviewed, on an upward only basis, on the fifth anniversary of the lease in Sept 2024, and subsequently on the tenth anniversary of the lease in September 2029.
- 4.3 The Tenant is negotiating a transfer of his business to the Assignee, and a material aspect of that negotiation is the Inverclyde Council as Landlord consenting to the assignation of tenant's interest in the current lease of the Subjects.
- 4.4 The Tenant has approached officers for such consent. In accordance with the Councils' usual practice, relevant personal checks have been carried out on the Assignee, with no issues having been highlighted. Offers therefore support the request of consent as set-out in this report.
- 4.5 The tenant will be required to fulfil all of his obligations in respect of his tenancy up until the date of the assignation which is to be agreed should Committee approval be granted for the proposal.
- 4.6 The subjects are to continue to be used for the business of a hot food take-away providing an alternative hot food take away offering to the local community.
- 4.7 The retail outlets at this location help to serve the local communities day to day shopping needs and are particularly important to those who are less mobile.

## 5.0 PROPOSALS

- 5.1 It is proposed that the Committee grants authority to the Interim Service Director, Environment & Economic Recovery as set out in paragraph 3.1 above.

## 6.0 IMPLICATIONS

### 6.1 Finance

#### Financial Implications:

##### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

##### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

## 6.2 Legal

Should the Committee agree to the recommendations in this report, officers in Legal and Property Services will prepare and issue the appropriate consent to the proposed assignment.

## 6.3 Human Resources

There are no HR implications arising from this report.

## 6.4 Equalities

### Equalities

(a) Has an Equality Impact Assessment been carried out?

--

YES

x
---

NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

--

YES

x
---

NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

--

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

x
---

NO

## 6.5 Repopulation

If the proposals contained within this report are approved, the outcomes will contribute towards the Council's repopulation agenda.

## 7.0 CONSULTATIONS

7.1 N/A

## 8.0 BACKGROUND PAPERS

8.1 N/A