

AGENDA ITEM NO:

**UNIVERSITY HOSPITAL BIRMINGHAM NHS FOUNDATION TRUST
BOARD OF DIRECTORS
THURSDAY 22 JULY 2010**

Title:	THE SEALING OF TWO LEASE AGREEMENTS BETWEEN THE TRUST AND W H SMITH FOR RETAIL PREMISES AT QUEEN ELIZABETH HOSPITAL
Responsible Director:	Director of Corporate Affairs
Contact:	Lynne Darby, Land & Property Manager (Ext 8024)

Purpose:	<p>The purpose of this paper is to request approval from the Board of Directors to seal, in accordance with Standing Order 6.1, two lease agreements for retail premises at Queen Elizabeth Hospital.</p> <p>The Tenant, W H Smith, currently occupies three retail premises within the Queen Elizabeth Hospital: in lower-ground floor of Nuffield House, on the main corridor and in the new West Entrance. The current leases have now expired and the tenant continues to occupy under the terms of those leases. Occupation of the West Entrance premises is now subject to the terms and conditions set down in the New Hospital Project Agreement. The West Entrance premises is therefore not discussed in this paper.</p> <p>Whilst most of the Queen Elizabeth Hospital remains occupied, it has been agreed that the tenant should continue to occupy the Main Corridor and Nuffield House premises to ensure a continuity and quality of service currently enjoyed by patients, visitors and staff.</p> <p>It is in both parties' interest that these occupations are documented by way of formal leases which will be executed as Deeds under Seal.</p>
Financial or Business Implications:	<p>The leases have been negotiated and agreed between the parties and their respective legal representatives.</p> <p>The terms of the leases will be backdated to commence immediately following the expiry of the current leases and will expire in September and October 2011 (Nuffield House</p>

	<p>and Main Corridor respectively).</p> <p>The tenant may terminate the leases at any time on three months' written notice if, following further phased relocation of services to the new QEHB, occupation of the premises becomes unprofitable.</p> <p>The initial rent of the main corridor premises has been agreed at £42,843. It has been agreed between the parties that the Nuffield House premises will carry a peppercorn rent.</p>
<p>Recommendations:</p>	<p>The Board of Directors is asked to:</p> <p>(a) NOTE that WH Smith's continued occupation of Trust premises is to be documented by way of formal leases</p> <p>(b) APPROVE the use of the Trust Seal, pursuant to Standing Order 6.1</p>

<p>Signed:</p>	<p>Date: 22 July 2010</p>
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