



# Office Accommodation Agreement

Barnet Homes and London Borough of Barnet

2017 – 2018

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**Change Control**

<b>Item</b>	<b>Reason for Change</b>	<b>Version</b>	<b>Author</b>	<b>Date</b>
1	Initial draft for review	1.0	Gerard Naughton	17.11.2017

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## **1. Agreement details**

### **1.1 Introduction**

This agreement defines the accommodation costs applicable to Barnet Homes for occupancy of LBB buildings (leased or owned). This agreement is **NOT** a lease or licence agreement as London Borough of Barnet (LBB) is not in a position to enter into a sub-letting arrangement with third parties. Through open and honest dialogue both parties, to this agreement, will work jointly towards identifying efficiencies in line with nationally agreed efficiency targets, for example, through an "open book" approach.

### **1.2 Services**

This agreement only covers the rental costs for the buildings. Business Rates and Insurance Premiums for Barnet House are also covered. All services provisions from LBB to Barnet Homes will be covered by a separate Facilities Management SLA.

### **1.3 Duration**

The agreement covers the period: 1 April 2017 to 31 March 2018 inclusive.

### **1.4 Termination of agreement**

This agreement will remain in place and cover all buildings occupied by Barnet Homes for the duration of the occupancy agreed by both parties or upon the presentation of a termination agreement presented by either party to the other which provides a minimum notice period of nine months. It should be noted for this agreement that the occupancy period for Barnet Homes in Barnet House is until 31 March 2018, after which either party will be required to present to the other a termination agreement if either party intend to vacate Barnet House allowing a minimum of twelve month's notice to vacate.

### **1.5 Dispute Resolution**

Should Barnet Homes and the relevant team providing the services to Barnet Homes comprised within the relevant SLA have a difference of opinion or dispute in relation to the relevant team's performance in respect of providing the relevant services to Barnet Homes the difference of opinion or dispute may be escalated by either party for resolution with appropriate evidence:

- to the Contract Manager through the monthly performance review meetings, and if the Contract Manager cannot resolve the difference of opinion or dispute it should be escalated for resolution;
- to the Housing Partnership Board, and if the Housing Partnership Board cannot resolve the difference of opinion or dispute it should be escalated for final resolution;

- to the Council's Section 151 Officer (who in reaching any decision is to take soundings as to the final resolution in person, by email and/or telephone from those officers sitting on the Strategic Housing Board), whose decision will be final and binding.

## **1.6 Amendment and price fluctuations**

**1.6.1** The Agreement is open to amendment at any time subject to agreement by both parties. Such amendments will be reflected into the body of the agreement which will then be re-issued at the next available version number. The amended agreement will become effective only once signed by an authorised officer from both parties.

**1.6.2** Price variations and fluctuations may occur during the term of this agreement as a consequence of the annual insurance renewals and rent reviews with the landlord of LBB. On conclusion of the rent reviews, any price variation and fluctuations will be identified by LBB and communicated to Barnet Homes. Based on agreement of both parties, such variations or fluctuations will be incorporated into this agreement.

## **1.7 Signatures**

This agreement at version 2.1 has been entered into by both The London Borough of Barnet and Barnet Homes as attested to by:



Name:  
Director  
Barnet Homes  
Date:



Name:  
Interim Resources Director  
London Borough of Barnet  
Date:

## **2. Charges to be levied**

The table below shows the charges that will be levied for the accommodation costs by LBB to Barnet Homes only. A separate charge will be incorporated into the Facilities Management SLA covering building and facilities management and cleaning charges.

Should Barnet Homes have to cease occupation of the whole, or any part of, their occupied area because an insured risk has occurred (such as fire or flooding) and LBB recovers the loss of rent through insurance, Barnet Homes will be reimbursed the rent paid for the whole or appropriate proportion in the event the area in question was uninhabitable.

### **2.1 Ongoing accommodation**

**2.1.1** These charges will be levied to cover the accommodation occupied by Barnet Homes on a quarterly basis (or unit charge if stated). These

charges will be invoiced on a separate invoice which, for clarity, will only include charges for this agreement.

**2.1.2** The figures provided only reflect the rent paid by LBB and have no additions for other services etc.

**2.1.3** The accommodation charges include rates and building insurance for Barnet House only. It is expected that Barnet Homes will pay directly for rates and insurance costs for those buildings in sole occupation by them.

**2.1.4** The percentage rate charged to Barnet Homes is currently at 31%.

**2.1.5** The table of charges

Office	Total Rent	Barnet Homes Costs	Comments
Barnet House (Rent)	£745,000	£230,950	Assumes full year occupancy. (31% of building)
Barnet House (Rates)	£340,409	£125,423	Based on 31 % occupancy level
Barnet House (insurance)	£47,059.13	£14,588	Based on 31 % occupancy level
Grahame Park Office, 17 The Concourse, NW9 5XA	£21,630	£19,299	Three units converted to office use with estimated rental value of £6,433 per unit
Assist 25 Gadsbury Close Goldsmith Ave NW9 7EZ	£5,460	£5,460	Three bedroom flat converted for office use. Annual rental value applicable
Block Merlin Caretaker Base NW9 5XP	£7,628	£7,628	Two one bedroom flats converted for use. Annual rental value of £10,726 normally applicable
<b>Totals</b>	<b>£1,167,186</b>	<b>£403,348</b>	

## **2.2 Early termination of occupancy**

In the event that Barnet homes cease occupancy of any of the accommodations listed above within the agreed minimum termination notice, Barnet Homes will be accountable for any costs incurred by LBB until such time that the minimum termination period expires.

## **3. Performance requirements**

To ensure this agreement operates in accordance with the requirements of both parties, the following performance requirements are recognised:

### **3.1 Account manager reviews**

The Principal Valuer of LBB, or another officer as agreed, will consult with Barnet Homes' Head of Business Support, or their delegated officer, on a bi-monthly basis if required with minimum meetings quarterly otherwise. The purpose of these meeting is to keep each party appraised of the others intentions to vacate, any proposed amendments to this agreement and as a dialogue to raise issues or concerns, for example over repairs to the common parts of the building.

### **3.2 Occupancy rights**

**3.2.1** The occupancy rights encompassed within this agreement identify Barnet Homes as a tenant and as such restrict Barnet Homes from entering into a shared occupancy agreement with any other third party without the expressed permission and written consent from LBB.

**3.2.2** Where both LBB and Barnet Homes agree a shared occupancy agreement is viable with a third party, for instance in co-location of contractor partners, the full details of such an agreement must be made available to LBB and LBB must be seen as a signatory to such agreements. Any agreements of this nature will in an agreed format and attached as appendixes to this agreement.

**3.2.3** Any agreement entered into without LBBs full agreement will be in full breach of this agreement and as such will be seen as null and void by LBB.

**3.2.4** Upon signing this agreement it is hereby confirmed that two co-location agreements have been entered into with permission from LBB

### **3.3 Barnet Homes responsibilities**

In order to facilitate the successful delivery of the accommodation covered by this agreement, Barnet Homes undertake to:

**3.3.1** Receive charges quarterly and make quarterly payments (on receipt of invoice) for the services as specified in this agreement.

**3.3.2** Reimburse LBB for any damage caused to its accommodation as a result of misuse.

**3.3.3** Provide a named officer to act as point of contact for Barnet Homes in provision of this agreement. In this instance this officer is Trudi Kleanthous, Director of Corporate Services. This contact may be delegated at Bhomes discretion and listed accordingly on page one of this agreement.

**3.3.4** Take all reasonable measures to ensure that the requirement of all relevant legislation is complied with.

**3.3.5** Contribute to the testing of the Disaster Recovery Plan and other processes related to the integrity of the buildings and business.

- 3.3.6 Maintain the infrastructure integrity by not removing or attaching any item of a structural nature and not prejudicing the security of the premises.

### **3.4 LBB responsibilities**

In order to facilitate the successful delivery of the accommodation covered by this agreement, LBB undertake to:

- 3.4.1 Manage the relationship with their Landlord and to inform Barnet Homes of any changes to their lease that will affect the cost, use of liability of this agreement.
- 3.4.2 Monitor the performance of the Landlord in the delivery of their duties and act as Barnet Homes' representative covering issues raised.
- 3.4.3 Act as an escalation point for any performance issues, structural problems or maintenance requirements of the buildings.
- 3.4.4 Take all reasonable measures to ensure that the requirement of all relevant legislation is complied with.
- 3.4.5 Ensure the Landlord satisfies their responsibility in maintaining the infrastructure of the buildings in accordance with the leasehold agreement entered into with LBB and legislative requirements covering Health and Safety and Disability Discrimination Act.
- 3.4.6 Keep Barnet Homes informed of LBBs future accommodation plans and communicate key decisions at earliest opportunity.
- 3.4.7 Send quarterly invoices, covering charges in this agreement, in the first instance to: Gerard Naughton, Head of Business Support, 4<sup>th</sup> Floor Barnet House, 1255 High Road, Whetstone, London, N20 0EJ. Subject to final reconciliation LBB will send the invoice for the final quarter by 1 March to ensure this amount is accounted for year end budgets.