

Appendix 3

Provisionally Agreed Terms between The Moray Council (TMC) and Grampian Police (GP) for the joint development, ownership and occupation of the proposed Child Protection Unit at Hamilton Drive, Elgin.

1. Site – GP to pay TMC an annual payment of £5,102.24 for a period of 30 years by way of securing joint ownership of the site. TMC to retain security over GP's interest until all payments are completed.
2. Development Costs – GP and TMC to pay equal share of development costs, including all design costs/fees.
3. Use – neither party to use premises for anything other than Child Protection Services without prior consent of the other party.
4. Service Charge – service charge items such as maintenance, repairs, cost of services such as electricity, gas and water, rates, cleaning and other items commonly associated with the running of the building shall be charged to the occupants, including NHS, based on floor area occupied by each.
5. Management Charge – TMC will manage the building and service charge account with all of the occupants paying a management fee to TMC equating to 5% of their share of the service charge.
6. Rent – each party to pay a rent based on their dedicated net internal area and the initial rental rate of £139/m² for the offices and £66/m² for the garage. The total rent collected will be divided equally between TMC and GP.
7. Review – the rent paid by TMC and GP shall be reviewed (i) annually by reviewing the amount of floor area occupied, and (ii) reviewed every 5 years by reviewing the rental rate per m² to open market level.
8. Pre-Emption Right – either party will be able to withdraw from the agreement upon giving up to two years notice at which the point the other party will have the right to either (i) purchase the first party's 50% share of the facility at Market Value (assuming vacant possession) as valued by the District Valuer, or (ii) agree to sell the whole building on the open market with vacant possession and the proceeds split between both parties, or (iii) occupy the office space vacated by the first party, thereafter paying rent as set out in the management agreement. In the case of options (i) and (ii), any outstanding payments by GP in the acquisition of their share of the site will be taken into account.