

NORTH LANARKSHIRE COUNCIL

REPORT

To: POLICY AND RESOURCES (REGENERATION AND INFRASTRUCTURE) SUB-COMMITTEE		Subject: PROPOSED NEW LEASE OF 40 NORTHBURN ROAD, COATBRIDGE TENANT: NORTHBURN INDUSTRIAL SERVICES LTD
From: HEAD OF LAND SERVICES		
Date: 5 September 2013	Ref: R3190483/AW	

1. INTRODUCTION

- 1.1 The purpose of this report is to seek Committee approval to grant a new lease of the yard at 40 Northburn Road, Coatbridge to Northburn Industrial Services Ltd or their nominees.

2. BACKGROUND

- 2.1 The tenants of the two properties adjoining the yard at Northburn Road shown on the attached plan approached the Council with requests to lease the additional space for the expansion of their businesses. Given the interest from two adjoining occupiers in order to give both the opportunity of offering for the property, a limited tendering exercise has been undertaken.

3. DESCRIPTION

- 3.1 The property is situated in Northburn Industrial Estate on the outskirts of Coatbridge.
- 3.2 The subjects comprise an industrial yard with some redundant buildings which are to be demolished by the ingoing tenant. The subjects extend to an area of 0.20 Hectares (0.494 acres) or thereby, as shown on the attached plan.

4. NEGOTIATIONS

- 4.1 A limited tender was carried out between two adjacent tenants with a closing date of 2nd August 2012. The results of the tender are as follows:-

- (a) **Bidder 1:** Northburn Industrial Services Ltd (Waste Management), 70 Northburn Road, Coatbridge ML5 2HY
- (i) **Term offered:** 20 years
- (ii) **Rent offered:** £6,600
- (iii) **Proposed new jobs:** 10
- (iv) **Additional:** Existing NLC tenant in Northburn Road since 1985.

- (b) **Bidder 2:** McNairn Coaches (Coach Hire), 30 Northburn Road, Coatbridge ML5 2HY
- (i) **Term offered:** 15 – 25 years
- (ii) **Rent offered:** £6,100
- (iii) **Proposed new jobs:** 5-10
- (iv) **Additional:** Existing NLC tenant in Northburn Road since 1991.

4.2 The highest offer is from Northburn Industrial Services Limited. The Company have occupied the adjacent yard since 1985 and want to continue to grow their business in this location. With the expansion of the business, the company has advised that this will secure 58 jobs in this location with the possibility of another 10 additional posts being created.

4.3 A provisional agreement has been reached on the following main terms and conditions:-

- (i) **Lease Term:** 20 years.
- (ii) **Rental:** Six Thousand Six Hundred Pounds (£6600) per annum exclusive of VAT.
- (iii) **Rent Review:** To be agreed.
- (iv) **Use:** Waste Management and Oil Recycling.

5. **CORPORATE CONSIDERATIONS**

5.1 It is considered good estate management practice to secure good tenants on as long a lease term as possible and this proposal is therefore of benefit to the Council in revenue terms.

5.2 The proposal will also support the growth of an existing business within the Coatbridge area and encourage the creation of new employment opportunities.

6. **RECOMMENDATIONS**

6.1 It is recommended that the Committee agree to new lease of the yard at 40 Northburn Road, Coatbridge to Northburn Industrial Services Ltd or their nominees, as detailed in section 4 above.

6.2 All other terms and conditions to be adjusted by the Head of Land Services.


KENNETH WILSON
 Head of Land Services

FA

Members seeking further information on the contents of this report are asked to contact Mary Anne Robb, Section Manager, on 01236 632667.

LOCATION PLAN - For Information Only

Title: 40 Northburn Road

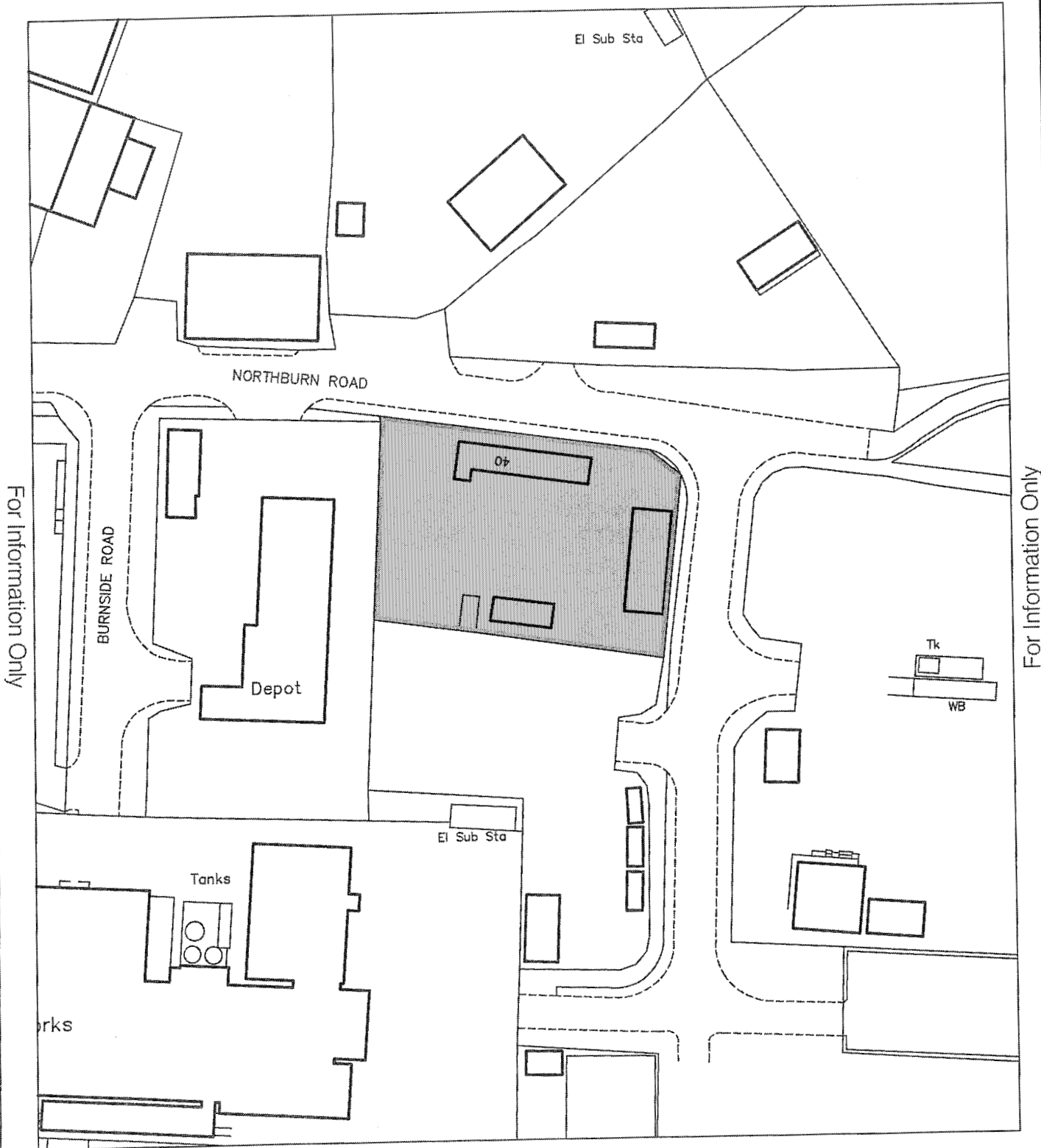
Scale 1:N.T.S.



Town: Coatbridge

Date: 13/08/2013

LAND SERVICES



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