

**NORTH LANARKSHIRE COUNCIL  
REPORT**

To: <b>POLICY &amp; RESOURCES (PROPERTY) SUBCOMMITTEE</b>		Subject: <b>PROPOSED LEASE EXTENSION FOR SHOP PREMISES AT 15 MINCHER CRESCENT, MOTHERWELL</b>
From: <b>HEAD OF PROPERTY SERVICES</b>		
Date: <b>27 April 2011</b>	Ref: <b>DAB/R3490282</b>	
TENANT : LISA SMITH		

**1. INTRODUCTION**

1.1 The purpose of this report is to seek Committee approval to extend the lease of the shop at 15 Mincher Crescent, Motherwell for a period of 20 years.

**2. BACKGROUND**

2.1 During negotiations for a short term lease extension for this shop, the current tenant, Lisa Smith, indicated she would prefer to commit to a longer lease to provide continuity for her business providing hair salon services to the residents of North Lodge and the surrounding area.

2.2 The shop has suffered from damp problems arising from the use of calor gas heating and the hairdressing process.

2.3 In order to ensure the viability of Ms Smith's business for the length of the new lease, she has asked the Council to help with installing a gas central heating system. It has been provisionally agreed that the Council will grant an abatement of rent equivalent to £960 to cover part of the installation of the necessary gas mains connection by reducing Ms Smiths' new rental by £480 for the first 2 years.

2.4 This shop supports 3 full time jobs and 1 part time job.

**3. DESCRIPTION**

3.1 The property is a single storey detached shop which extends to a net internal area of 44.22 square metres (476 square feet) or thereby and is shown on the attached plan.

3.2 The shop is in the North Lodge residential area in Motherwell and lies within Ward 18.

#### **4. PROPOSED LEASE TERMS**

4.1 A provisional agreement has been reached with the tenant on the following terms and conditions:-

- (i) **Extension to the Lease Term:** 20 Years.
- (ii) **Rental:** £3,600 per annum.
- (iii) **Date of Extension:** 27 May 2011.
- (iv) **Rent Review:** 27 May 2016 and 5-yearly thereafter.
- (v) **Break Options:** Not Applicable.
- (vi) **Rent Free:** Rent to be held at current level of £3,120 until 27 May 2013 to contribute £960 towards the capital cost of installing mains gas to the shop.
- (vii) **Use:** Hairdressing Salon and ancillary services.
- (viii) All other terms and conditions and alterations to be in accordance with the standard lease terms for industrial/commercial ground.

#### **5. CORPORATE CONSIDERATIONS**

5.1 This property is within the Non Operational Investment Portfolio and is held to support economic development and revenue generation purposes.

5.2 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 and economic development terms.

5.3 The contribution towards the cost of installing mains gas to this shop will improve the long term viability of the shop and the tenant's business, thus further supporting the Council's revenue and economic development aims.

#### **6. RECOMMENDATIONS**

6.1 It is recommended that the Committee agrees to the extension of the lease in line with the proposed lease terms noted above for the shop at 15 Mincher Crescent for a period of 20 years.

6.2 All other terms to be adjusted by the Head of Property Services.

  
**IAN NISBET**  
**Head of Property Services**

*C.A.B*  
Members seeking further information on the contents of this report are asked to contact Ian Nisbet, Head of Property Services, on 01236 616305

# LOCATION PLAN - For Information Only

Title: 15 Mincher Crescent

Scale 1:NTS



Town: Motherwell

Date: 26/04/11



## Property Services

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