

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: POLICY & RESOURCES (PROPERTY) SUBCOMMITTEE	Subject: LEASE RENEWAL – 17 EARN AVENUE, RIGHEAD INDUSTRIAL ESTATE, BELLSHILL	
From: HEAD OF PROPERTY SERVICES	Tenant: THE BSS GROUP LIMITED	
Date: 26 April 2011	<table border="1" style="width: 100%;"> <tr> <td style="padding: 2px;"> Ref: AF/B889023X </td> </tr> </table>	Ref: AF/B889023X
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1. INTRODUCTION

- 1.1 The purpose of this report is to seek Committee approval for the proposed renewal of the existing lease for the industrial unit at 17 Earn Avenue, Righead Industrial Estate, Bellshill for another 10 years.

2. DESCRIPTION

- 2.1 The property comprises an industrial workshop located within Righead Industrial Estate in Bellshill, as shown on the attached plan, with a gross internal area of 525 square metres (5,651 square feet) or thereby.

3. BACKGROUND

- 3.1 The existing tenant, The BSS Group Limited, currently pays a rent of £21,400 per annum. The Council recently served notice on the tenant in order to instigate the lease renewal process. This will effectively terminate the tenant's lease on 14 May 2011.
- 3.2 The tenant is keen to remain in the premises and has asked for a new 10-year lease with a tenant only break at year 6.

4. NEGOTIATIONS

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

(i)/

- (i) **Duration:** 10 Years.
- (ii) **Proposed Rent:** £27,000 per annum exclusive of VAT.
- (iii) **Date Of Entry** 15 May 2011.
- (iv) **Break Options:** Tenant only break at year 6.
- (v) **Rent Reviews:** 5-yearly upwards only reviews.
- (vi) **Use:** Warehouse with ancillary trade counter or any use within Use Classes 4, 5 or 6.
- (vii) **Repairs & Insurance:** The lease will be a fully repairing and insuring lease.
- (viii) All other terms and conditions and alterations to be agreed by the Head of Property Services.

5. CORPORATE CONSIDERATIONS

- 5.1 It is considered good estate management practice to secure 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 Council's success in negotiating a long lease with The BSS Group Limited will help to secure 9 jobs in the Bellshill area.

6. RECOMMENDATIONS

- 6.1 It is recommended that the Subcommittee agrees to a new 10-year lease to The BSS Group Limited or their nominees on the terms and conditions detailed above.



IAN NISBET
Head of Property Services

CNPB

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

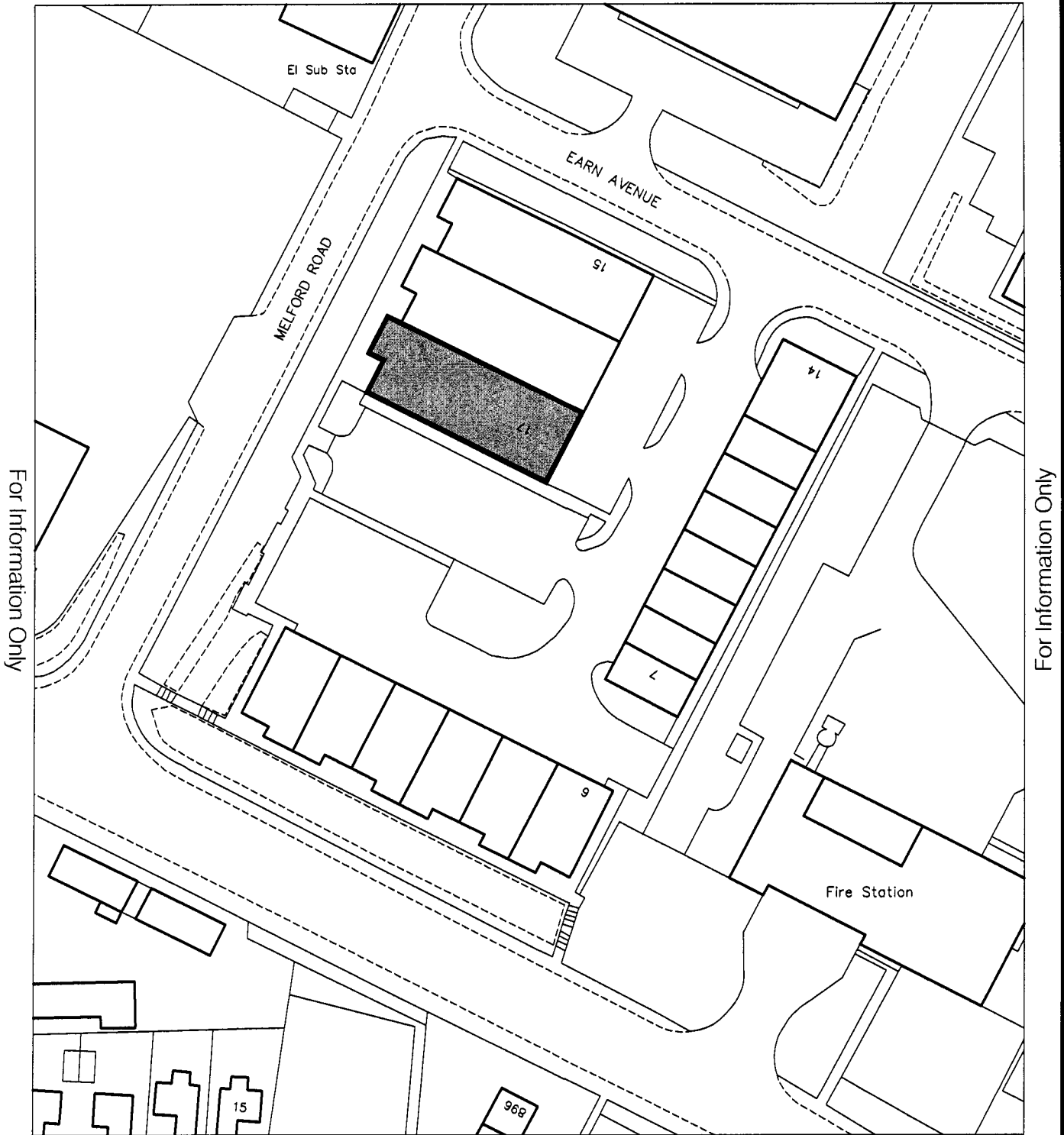
Title: 17 Earn Avenue

Scale 1:NTS



Town: Bellshill

Date: 28/04/11



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Property Services

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Executive Director of Corporate Services
 North Lanarkshire Council
 Fleming house
 2 Tryst Road, Cumbernauld, G67 1JW