

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: POLICY AND RESOURCES (REGENERATION AND INFRASTRUCTURE) SUB COMMITTEE	Subject: LEASE RENEWAL - KILSYTH DAY CENTRE, 8 BURNGREEN, KILSYTH, GLASGOW, TENANT: KILSYTH OLD PEOPLE'S WELFARE COMMITTEE
From: ASSISTANT CHIEF EXECUTIVE - INFRASTRUCTURE	
Date: 7th February 2017	Ref: AMR/AF

1. INTRODUCTION

1.1 The purpose of this report seek committee homologation of action taken to authorise the renewal of the existing lease, held by Kilsyth Old People's Welfare Committee in respect of the Kilsyth Day Centre, 8 Burngree, Kilsyth, for a period of 10 years.

2. BACKGROUND

- 2.1 The Kilsyth Old People's Welfare Committee have occupied the Kilsyth Day Centre in Kilsyth since 1977. At present the tenancy is held under a 5 year lease which commenced on 28 November 2009, but the lease now continues on a year to year basis.
- 2.2 In 2015, the group carried out works to replace the lighting in the building and replacing the fire alarm system at a total cost of £8,800.
- 2.3 The group has expressed an interest in renewing their lease for a period of 10 years in order to secure grant funding to undertake further substantial refurbishment of the building at an estimated cost between £45,000 to £50,000 of which the group will have to contribute 10 per cent of the cost of the various works from their own funds.
- 2.4 The refurbishment works which have already been completed by the group and the additional works which are now to be undertaken represent a substantial investment in the property. It is proposed that a rent abatement equivalent to 2 years rental at a total cost of £8,800 should be granted to Kilsyth Old People's Welfare Committee. This figure has been calculated to account for the funds the group has already committed to the refurbishment of the premises.

3. DESCRIPTION

- 3.1 The building comprises a semi-detached single storey building subdivided internally to provide a hall, a kitchen and toilets.
- 3.2 The building is located at Burngreen within walking distance of Kilsyth town centre shown shaded pink on the attached plan.
- 3.3 The building extends to net internal area of 116.3 square metres (1,252 sq ft) or thereby.

4. PROPOSAL

4.1 Provisional agreement has been reached with Kilsyth Old People's Welfare Committee land for a new lease under the following terms and conditions:

- (i) **Rent:** £4,400 per annum exclusive of VAT
- (ii) **Date of Entry:** To be agreed between the parties, subject to termination of the existing lease.
- (iii) **Term:** 10 years from the date of entry.
- (iv) **Rent abatement:** 2 years
- (v) **Permitted use:** Community hall
- (vi) **Repairs:** The tenant will be responsible for all repairs and insurance.
- (vii) **Legal Fees:** Both parties shall bear their own legal fees relating to this transaction.

All other terms and conditions to be agreed by the Head of Corporate Property & Procurement.

5. CORPORATE CONSIDERATIONS

5.1 It is considered good estate management practice to secure good tenants on long term leases to generate income for the Council.

5.2 This report is consistent with current leasing policy dated 25 July 2011.

6. RECOMMENDATIONS

6.1 It is recommended that the Committee homologates the action taken by the Assistant Chief Executive Infrastructure following consultation with the Convenor of the Policy and Resources (Regeneration and Infrastructure) Subcommittee to grant Kilsyth Old People's Welfare Committee, and their nominees, a new 10 year lease for the Kilsyth Day Centre, 8 Burngreen, Kilsyth on the terms detailed above..

6.2 All other terms of conditions to be adjusted by the Head of Corporate Property & Procurement.



ROBERT STEENSON
Assistant Chief Executive – Infrastructure.

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

LOCATION PLAN - For Information Only

Title: Kilsyth Day Centre & Bumgreep

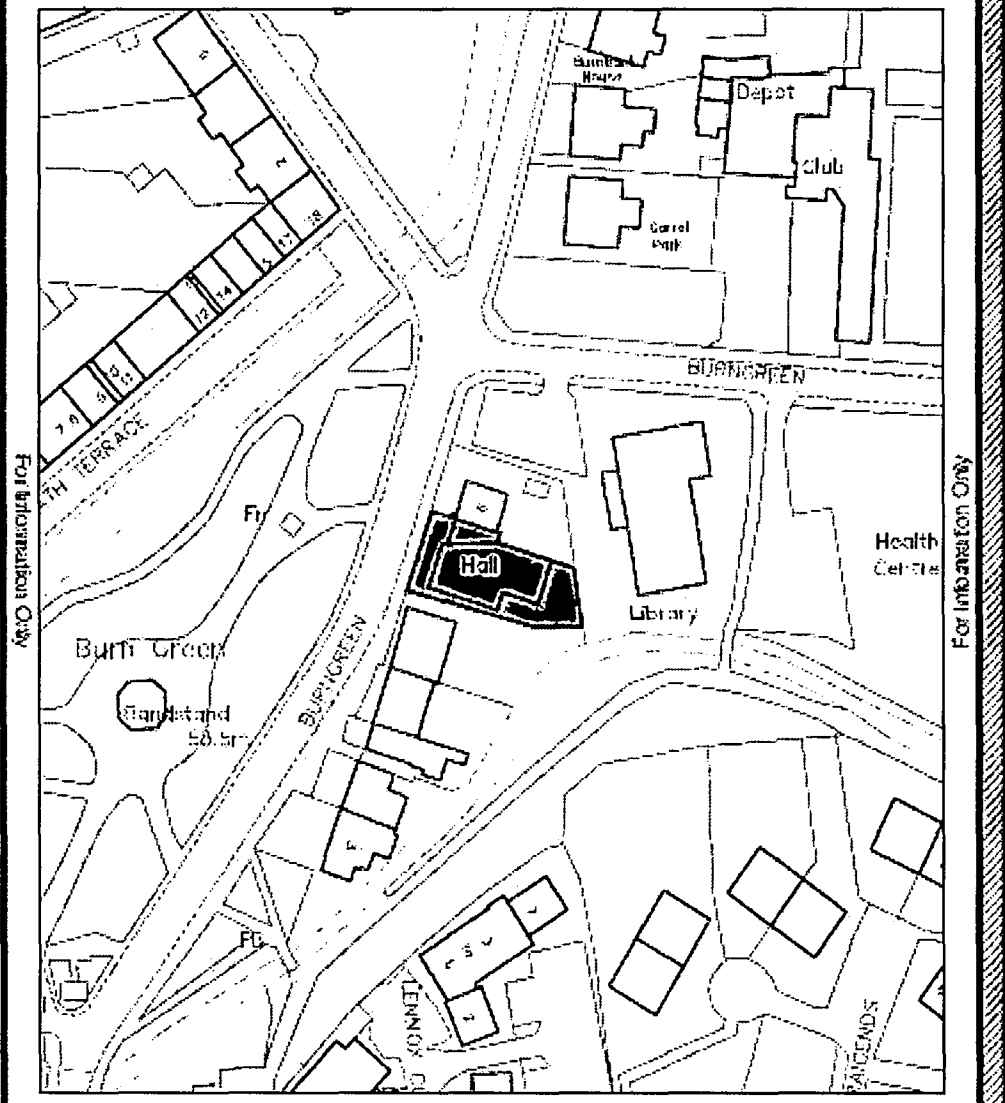
Scale 1:N.T.S.



Town: Kilsyth

Date: 15/10/2015

ENVIRONMENT & ESTATES



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