

Report

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Report to:	Estates Committee
Date of Meeting:	19 September 2006
Report by:	Executive Director (Enterprise Resources)

Subject:	Hareleeshill Sports Barn, Larkhall - Variation of Lease to South Lanarkshire Leisure Limited
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1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ advise on the action taken, in terms of Standing Order No. 36(c) because of the timescales involved, by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, to vary the existing lease between the Council and South Lanarkshire Leisure Ltd (SLL Ltd) in respect of Hareleeshill Sports Barn, Larkhall.
- ◆ advise of the proposed terms for a new lease to SLL Ltd.

2 Recommendation(s)

2.1 The Committee is asked to approve the following recommendation(s):-

- (1) that the following action taken, in terms of Standing Order No. 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
- ◆ approval that the Council agree to the partial renunciation of the existing lease to SLL Ltd as shown on Plan 1.
 - ◆ approval of the granting of a fresh 20 year lease of the renounced area to SLL Ltd on terms similar to the terms of the current lease, and as described below.
 - ◆ authorisation of the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, if appropriate, to conclude the necessary legal agreements on behalf of the Council.

3 Background

- 3.1 Hareleeshill Sports Barn is one of various sports facilities leased by the Council to SLL Ltd for 20 years from 1 April 2002 at a rental of £1 per annum.
- 3.2 Funding of £250,000 has been secured from the Scottish Community Foundation for the development of new accommodation and pitch improvements at Hareleeshill.
- 3.3 It is a condition of the funding that SLL Ltd have a 20 year lease and that the Scottish Community Foundation have a standard security for a period of 10 years. The standard security will enable the Foundation to recover a proportion of the funding should the Council terminate the lease to SLL Ltd.

- 3.4 That the terms of the fresh lease be substantially the same as the current lease, however
- (a) the Council consents to the granting of a 10 year standard security to the Scottish Community Foundation.
 - (b) if the Council exercises its option to terminate the lease or any part thereof, the Council will require SLL Ltd to repay the portion of grants specified in the standard security to the Scottish Community Foundation.
 - (c) if the Council services Notice of Termination of the lease or part thereof to SLL Ltd the Council is required to also service Notice on the Scottish Community Foundation.
- 3.5 Community Resources and SLL Ltd are keen to undertake the proposed improvements to the facilities at Hareleeshill and support the lease revisals. In order that the tender process for works can proceed and the funding be secured, the changes to the lease must go ahead quickly.
- 4 Employee Implications**
- 4.1 There are no employee implications.
- 5 Financial Implications**
- 5.1 The lease proposals enable SLL Ltd to secure £250,000 external funding.
- 6 Other Implications**
- 6.1 There are no other implications.
- 7 Consultation**
- 7.1 Consultation was undertaken with Community Resources, SLL Ltd and the Head of Legal Services.

Iain Urquhart
Executive Director (Enterprise Resources)

18 August 2006

Link(s) to Council Objectives

- Living in the Community

Previous References

- None

List of Background Papers

- None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:- Joanne Forbes, Estates and Support Services

Ext: 5139 (Tel: 01698 455139)

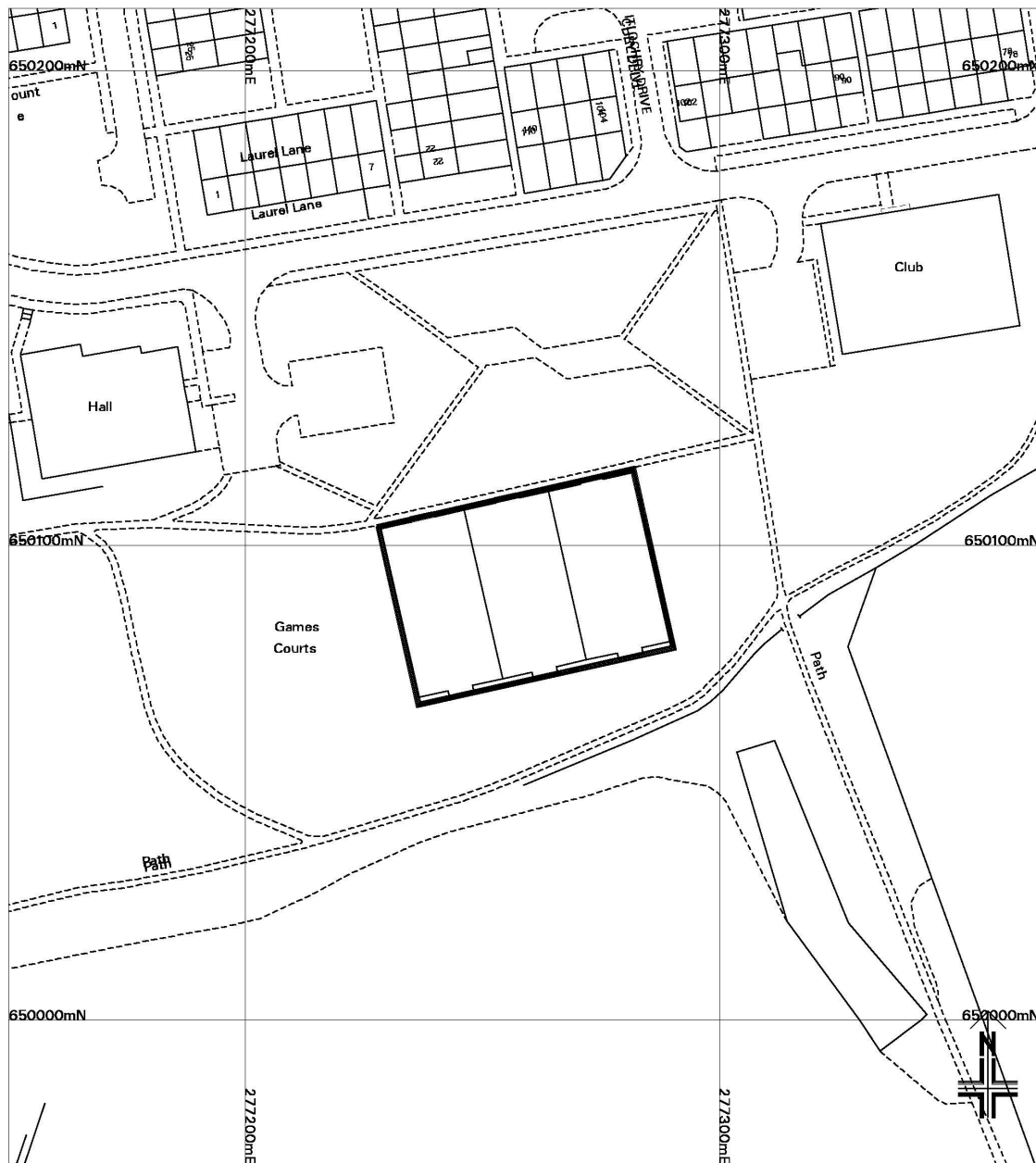
E-mail: joanne.forbes@southlanarkshire.gov.uk

LOCATION PLAN - For Committee purposes only

Hareleeshill Sports Barn Tennis Courts Larkhall



ESTATES SERVICES



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21/07/2006