

HOUSING AND TECHNICAL RESOURCES COMMITTEE

Minutes of meeting held via Confero and in Committee Room 1, Council Offices, Almada Street, Hamilton on 30 August 2023

Chair:

Councillor Davie McLachlan

Councillors Present:

Councillor Walter Brogan, Councillor Archie Buchanan, Councillor Mathew Buchanan, Councillor Janine Calikes, Councillor Gerry Convery, Councillor Margaret Cooper, Councillor Andrea Cowan, Councillor Maureen Devlin, Councillor Colin Dewar, Councillor Allan Falconer, Councillor Grant Ferguson, Councillor Alistair Fulton, Councillor Geri Gray, Councillor Susan Kerr (*substitute for Councillor Ross Gowland*), Councillor Ross Lambie, Councillor Martin Lennon (Depute), Councillor Richard Lockhart, Councillor Ian McAllan, Councillor Norman Rae, Councillor David Shearer, Councillor Helen Toner (*substitute for Councillor Julia Marrs*), Councillor Margaret B Walker, Councillor Kirsty Williams

Councillors' Apologies:

Councillor Joe Fagan (ex officio), Councillor Ross Gowland, Councillor Julia Marrs, Councillor Kenny McCreary

Attending:

Finance and Corporate Resources

G Booth, Finance Manager (Resources); H Calley, Administration Officer; G McCann, Head of Administration and Legal Services; E Maxwell, HR Business Manager; L O'Hagan, Finance Manager (Strategy); L Wyllie, Administration Assistant

Housing and Technical Resources

S Gibson, Executive Director; S Egan, Head of Housing Services; J Forbes, Head of Property Services; G McParland, Property Manager (Assets and Estates)

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Housing and Technical Resources Committee held on 31 May 2023 were submitted for approval as a correct record.

The Committee decided: that the minutes be approved as a correct record.

3 Revenue Budget Monitoring 2022/2023 - Housing and Technical Resources (Excl Housing Revenue Account (HRA))

A joint report dated 29 June 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of the actual expenditure measured against the revenue budget for the period 1 April 2022 to 31 March 2023 for Housing and Technical Resources (excl HRA).

As at 31 March 2023, there was an overspend of £0.005 million against the phased budget before transfers to reserves. Following transfers to reserves, as detailed in Appendix C to the report, which had been approved by the Executive Committee at its meeting on 21 June 2023, the Resource position was an overspend of £0.080 million.

The overspend was due to the net effect of overspends in Property Maintenance and Estates, offset by underspends in Office Accommodation and the Scheme of Assistance budget. There were also minor net underspends in relation to Other Housing, Supporting People and CCTV.

Virements were proposed to realign budgets and those were detailed in appendices B and C of the report.

The Committee decided:

- (1) that the overspend of £0.080 million, as at 31 March 2023, on the Housing and Technical Resources' Revenue Budget (excl HRA), after transfers to reserves, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved.

[Reference: Minutes of 15 March 2023 (Paragraph 4) and Minutes of the Executive Committee of 21 June 2023 (Paragraph 3)]

4 Revenue Budget Monitoring 2022/2023 - Housing and Technical Resources (Housing Revenue Account (HRA))

A joint report dated 29 June 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of the actual expenditure measured against the revenue budget for the period 1 April 2022 to 31 March 2023 for Housing and Technical Resources (HRA).

As at 31 March 2023, there was a breakeven position against the phased budget after a final transfer from reserves of £3.990 million. The original budget anticipated a required transfer from reserves of £3.500 million, although this was projected to be £5.840 million at outturn.

This was primarily due to overspends in repairs and maintenance as a result of demands on the service, the overall cost of providing the service by the internal contractor and unexpected costs in relation to the severe weather incident in December 2022. This was offset by underspends in employee costs, bad debt provision, loan charge repayments, an over recovery in rental income and expected insurance recoveries for the severe weather incident. Further details on the variances for the HRA were detailed in Appendix A to the report.

Virements were proposed to realign budgets and those were detailed in Appendix A to the report.

The Committee decided:

- (1) that the breakeven position on Housing and Technical Resources' (HRA) revenue budget, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved.

[Reference: Minutes of 15 March 2023 (Paragraph 5) and Minutes of the Executive Committee of 21 June 2023 (Paragraph 3)]

5 Revenue Budget Monitoring 2023/2024 - Housing and Technical Resources (Excl Housing Revenue Account (HRA))

A joint report dated 2 August 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of the actual expenditure measured against the revenue budget for the period 1 April to 14 July 2023 for Housing and Technical Resources (excl HRA).

As at 14 July 2023, there was a breakeven position against the phased budget.

Virements were proposed to realign budgets and those were detailed in appendices B and C to the report.

The Committee decided:

- (1) that the breakeven position as at 14 July 2023 on Housing and Technical Resources' (excl HRA) Revenue Budget, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved.

[Reference: Minutes of the Executive Committee of 16 August 2023 (Paragraph 3)]

6 Revenue Budget Monitoring 2023/2024 - Housing and Technical Resources (Housing Revenue Account (HRA))

A joint report dated 2 August 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of the actual expenditure measured against the revenue budget for the period 1 April to 14 July 2023 for Housing and Technical Resources (HRA).

As at 14 July 2023, there was a breakeven position against the phased budget.

Virements were proposed to realign budgets and those were detailed in Appendix A to the report.

The Committee decided:

- (1) that the breakeven position on Housing and Technical Resources' (HRA) Revenue Budget, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved.

[Reference: Minutes of the Executive Committee of 16 August 2023 (Paragraph 3)]

7 Capital Budget Monitoring 2022/2023 - Housing and Technical Resources (Excl Housing Revenue Account (HRA))

A joint report dated 9 August 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of progress on the capital programme for Housing and Technical Resources (excl HRA) for the period 1 April 2022 to 31 March 2023.

The capital programme for Housing and Technical Resources for 2022/2023 was £8.436 million. Total expenditure to 31 March 2023 was £4.883 million, an underspend of £3.553 million, which was mainly due to the timing of project spend on a number of projects within multi-year programmes. The main projects which were responsible for the underspend were detailed in Appendix A of the report.

Any underspend on those projects, along with the funding, had been carried forward into the new financial year as required. An update on the 2023/2024 programme was detailed in a separate report to the Committee.

At the year-end 2022/2023, £0.052 million of capital spend required to be recorded as revenue spend. This transfer meant that, for the purpose of publishing the Council's Annual Accounts only, there was a capital spend of £4.831 million.

The Committee decided: that the Housing and Technical Resources' (excl HRA) capital programme of £8.436 million and expenditure for the year of £4.883 million be noted.

[Reference: Minutes of 15 March 2023 (Paragraph 6)]

8 Capital Budget Monitoring 2022/2023 - Housing and Technical Resources (Housing Revenue Account (HRA))

A joint report dated 29 June 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of progress on the capital programme for Housing and Technical Resources (HRA) for the period 1 April 2022 to 31 March 2023.

The revised Housing Capital Programme for 2022/2023 totalled £66.361 million and was detailed, along with the funding sources, at Appendix A of the report.

The actual expenditure on the Housing programme was £60.695 million, a net underspend of £5.666 million. This was mainly due to delays in relation to the expected milestone payments for the Kirk Street, Strathaven new build project and Property Services' operatives being diverted from capital works to respond to the impact of the severe weather in December 2022.

The Committee decided: that the revised Housing and Technical Resources' (HRA) capital programme of £66.361 million and expenditure to 31 March 2023 of £60.695 million be noted.

[Reference: Minutes of the Executive Committee of 21 June 2023 (Paragraph 5) and 24 August 2022 (Paragraph 4)]

9 Capital Budget Monitoring 2023/2024 - Housing and Technical Resources (Excl Housing Revenue Account (HRA))

A joint report dated 9 August 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of progress on the capital programme for Housing and Technical Resources (excl HRA) for the period 1 April to 14 July 2023.

The budget of £11.923 million for Housing and Technical Resources was based on the overall Capital Programme for 2023/2024, which had been approved by the Executive Committee on 21 June 2023.

The financial position for Housing and Technical Resources was detailed in Appendix A of the report.

The total capital programme for Housing and Technical Resources was £11.923 million, as detailed in the report. This budget was based on the original programme of projects approved by the Council in February 2023, which had been updated to include budget carried forward from financial year 2022/2023 as well as a budget amendment for £0.124 million which was approved by the Executive Committee on 21 June 2023.

The budget of £11.923 million also reflected the estimated level of spend which could be achieved in 2023/2024, based on current information.

The position for period 4 was anticipated spend to date of £0.560 million, with spend to 14 July 2023 amounting to £0.575 million, an overspend of £0.015 million which was due to a timing issue only.

The Committee decided: that the Housing and Technical Resources' capital programme of £11.923 million and expenditure to date of £0.575 million be noted.

[Reference: Minutes of South Lanarkshire Council of 22 February 2023 (Paragraph 2) and Minutes of the Executive Committee of 21 June 2023 (Paragraph 6)]

10 Capital Budget Monitoring 2023/2024 - Housing and Technical Resources – (Housing Revenue Account (HRA))

A joint report dated 2 August 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of progress on the capital programme for Housing and Technical Resources (HRA) for the period 1 April to 14 July 2023.

The revised Housing Capital Programme for 2023/2024 totalled £69.596 million and was detailed, along with the funding sources, in Appendix A of the report.

The Resource was expecting to spend to that level and work would continue to monitor achievable spend.

The Committee decided: that the revised Housing and Technical Resources' (HRA) capital programme of £69.596 million and expenditure to 14 July 2023 of £12.469 million be noted.

[Reference: Minutes of the Executive Committee of 16 August 2023 (Paragraph 4)]

11 Housing and Technical Resources – Workforce Monitoring – April to June 2023

A joint report dated 26 July 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted on the following employee information for Housing and Technical Resources for April to June 2023:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ discipline, grievance and Dignity at Work cases
- ◆ analysis of leavers and exit interviews

The Committee decided: that the report be noted.

[Reference: Minutes of 31 May 2023 (Paragraph 3)]

12 Housing and Technical Resource Plan Quarter 4 Progress Report 2022/2023

A report dated 9 August 2023 by the Executive Director (Housing and Technical Resources) was submitted on the Housing and Technical Resource Plan Quarter 4 Progress Report for 2022/2023 for the period 1 April 2022 to 31 March 2023.

The Resource Plan measures were rated using a traffic light system of red, amber or green as well as blue (BRAG), which indicated that an action had been completed.

Details were provided on:-

- ♦ progress made in implementing the priority projects identified in the Resource Plan 2022/2023, as detailed in the Quarter 4 Progress Report, attached as Appendix 2 to the report
- ♦ key achievements made by the Resource to date, as detailed in paragraph 5.3 of the report
- ♦ areas for improvement and associated management actions, as detailed in paragraph 5.4 of the report
- ♦ the additional scrutiny of changes in measure status from Quarter 2 to Quarter 4, as detailed in Appendix 3 to the report

Officers responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that the Quarter 4 Progress Report 2022/2023, as summarised in paragraph 5.2 and attached as Appendix 2 of the report, be noted;
- (2) that the key achievements made by the Resource to date, as detailed in paragraph 5.3 of the report, be noted;
- (3) that the areas for improvement and associated management actions, as detailed in paragraph 5.4 of the report, be noted; and
- (4) that the additional scrutiny of changes in measure status between Quarter 2 and Quarter 4, as summarised at paragraph 5.5 and detailed in Appendix 3 of the report, be noted.

[Reference: Minutes of 15 March 2023 (Paragraph 10) and Minutes of the Executive Committee of 24 August 2022 (Paragraph 8)]

13 Scottish Housing Regulator – Annual Assurance Statement 2022/2023

A report dated 20 July 2023 by the Executive Director (Housing and Technical Resources) was submitted on the Council's Annual Assurance Statement.

The Scottish Housing Regulator (SHR) had been established in 2011 as an independent body directly accountable to the Scottish Government to regulate registered social landlords (RSLs) and local authority housing and homelessness services. The SHR did this by assessing and reporting on social landlords' delivery of services, RSLs' financial well-being and standards of governance and, where necessary, the SHR would intervene to secure improvements.

The SHR had published a revised Regulatory Framework in 2019. Local authority landlords were required to submit an Annual Assurance Statement confirming compliance with the regulatory requirements.

South Lanarkshire's Annual Assurance Statement for 2022/2023 was attached as Appendix 1 to the report. The key requirement of the Annual Assurance Statement was for the Committee to confirm that it was confident that appropriate systems, evidence, relationships and channels of communication were in place to ensure the effective planning, delivery and monitoring of relevant services against statutory and regulatory requirements.

Within South Lanarkshire, the assurance required was provided through a wide range of arrangements which were in place at a Council and Resource wide level. A summary of the key requirements for assurance and how those were addressed was attached as Appendix 2 to the report.

The SHR had indicated that, provided that tenant and resident safety was not compromised, it would not engage with a landlord where there was not full compliance with regulatory requirements and the landlord had effective plans to return to full compliance. In relation to this year's statement, there were 2 points, highlighted below, where the Council was partially compliant:-

- ◆ Fire Tolerable Standards
- ◆ Fixed Electrical Testing

In relation to the reporting requirements of Fire Tolerable Standards and Fixed Electrical Testing, a programme of work had progressed well, however, a number remained outstanding due to the inability to gain access to carry out the necessary installations/testing. A robust programme of work was in place to address those issues including the appropriate use of forced entry, which was being closely monitored within the Resource.

In this year's Annual Assurance Statements, local authorities were asked to provide assurance that they had an effective approach to the collection of equalities information and were considering how a human rights-based approach to their work could be adopted. This was reflected in the proposed Annual Assurance Statement.

If approved, the Annual Assurance Statement would be submitted to the SHR to confirm the required assurance.

The Committee decided: that the Council's Annual Assurance Statement 2022/2023, attached as Appendix 1 to the report, be approved and submitted to the Scottish Housing Regulator.

[Reference: Minutes of 5 October 2022 (Paragraph 10)]

14 Annual Review of the South Lanarkshire Rapid Rehousing Transition Plan 2022/2023

A report dated 18 July 2023 by the Executive Director (Housing and Technical Resources) was submitted on the fourth annual review of the Rapid Rehousing Transition Plan (RRTP) 2019 to 2024.

The RRTP, which aimed to significantly reduce homelessness and achieve rapid rehousing in South Lanarkshire, was structured around 5 high level priority objectives. There were 53 indicators against which the Council and its partners monitored progress, comprising 33 actions and 20 measures. In accordance with wider reporting arrangements across the Council, those indicators were categorised into 'blue', 'green', 'amber' and 'red' depending on the progress made against them.

It had been an extremely challenging year, both locally and nationally, in terms of maintaining progress. Nationally, it had been reported that homelessness figures were at the highest since records began in 2002. During 2022/2023, in line with national trends, homeless levels spiked in South Lanarkshire with a 17% increase in homeless presentations.

The challenging economic climate, the "cost of living crisis" and changes in the private rented sector were thought to have driven the increased demand for homelessness services. The position was further exacerbated by the impact on the housing system of the positive contribution which the Council and local Registered Social Landlords (RSLs) played in providing accommodation to Ukrainian households displaced by the invasion.

Despite the most challenging of contexts in 2022/2023, positive progress had been made, with over 92% of the indicators on or only slightly behind target to achieve the projected outcomes within the identified timescales outlined in the report.

Good progress continued to be made within the RRTP with 3 indicators complete, 43 progressing well and on target, 3 showed minor slippage, 2 with major slippage and 2 were to be reported later/contextual. A summary of key highlights and achievements in relation to each of the 5 priority objectives for 2022/2023 (Year 4) was detailed in the report.

In addition to reviewing the progress made against the actions and measures set out within the RRTP action plan, the annual review also provided the opportunity to examine the RRTP to ensure that the priority objectives, actions and measures remained appropriate, relevant and measurable. As a result, it was proposed that 2 amendments be made to the RRTP action plan. The amendments were detailed in the report and had been incorporated into the RRTP action plan for 2023/2024.

The review of progress in Year 4 of the RRTP noted that, under very challenging circumstances, significant positive indicators of success had been achieved. The review also confirmed the continuing commitment of partners to delivering RRTP priorities over the short-term as well as securing the longer-term objectives of the Plan.

Year 5 priorities would build on key learning points from the first 4 years of the plan and also on the progress achieved by working in partnership to deliver services which were focused on preventing homelessness and minimising the impact of homelessness where crisis could not be avoided.

A summary of the key priorities to be progressed during Year 5 of the plan (2023/2024) were detailed in the report.

The RRTP Annual Review 2022/2023, attached as Appendix 1 to the report, was submitted to the Scottish Government by the required timescale of 25 August 2023.

The outcomes from the RRTP Annual Review 2022/2023 would be submitted to the South Lanarkshire Community Planning Partnership Board for noting later this year.

It was proposed that the RRTP would be replaced in 2024/2025 and that a final review of the current plan would be presented to the Housing and Technical Resources Committee in September 2024.

The RRTP confirmed the level of resources required to be directed towards the prevention and alleviation of homelessness. The Scottish Government had provided £2,659,892 in funding to assist in the development and implementation of the RRTP, which was significantly short of the £7.31 million set out as required in the original plan.

Officers responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that the progress made in delivering the Rapid Rehousing Transition Plan (RRTP) objectives, as set out in the RRTP Annual Review 2022/2023, attached as Appendix 1 to the report, be noted;
- (2) that the proposed revisions to the RRTP, as detailed in section 5 of the report, be approved; and
- (3) that the key priorities to be progressed in 2023/2024, as detailed in section 6 of the report, be noted.

[Reference: Minutes of 10 August 2022 (Paragraph 11)]

15 Disposal of Domestic Council Properties within Castlebank House, Lanark

A report dated 9 August 2023 by the Executive Director (Housing and Technical Resources) was submitted:-

- ◆ requesting approval to declare 4 vacant Council properties within Castlebank House, Lanark and any subsequent vacancies within the property, surplus to the operational requirements of Housing and Technical Resources
- ◆ requesting approval to dispose of the 4 vacant Council properties within Castlebank House, Lanark on the open market, with any income allocated to the Housing Revenue Account's Capital Programme
- ◆ advising of proposals to formally engage with the remaining tenants and residents to discuss the Council's intentions in relation to Castlebank House

Castlebank House, Lanark was a category B listed, 3-storey former country house. The property and associated ancillary buildings were situated within the grounds of Castlebank Park, with access to the property through a traditional gatehouse and single track, stone chipped road through the park.

The Council had inherited the property in 1996 following local government re-organisation. The property was divided into 12 separate dwellings ranging from 1 to 3 bedrooms in size. Of the 12 properties, 8 remained in Council ownership, with 4 purchased by private owners as part of the statutory Right to Buy scheme which was in place until 2016. Of the remaining 8 Council properties, 4 were currently empty. Those had not been re-let due to significant works required to bring them up to a lettable standard.

A full building survey had been completed on Castlebank House in 2014 which concluded that the Council properties and the wider building required significant investment to meet the required Scottish Housing Quality Standard (SHQS) or energy efficiency standards for social housing. The conclusions of this survey had been reviewed, with costs updated to reflect inflationary pressures and revised standards which were estimated at over £2 million.

The layout and construction type of Castlebank House offered little flexibility for it to be adapted to meet the changing needs of tenants and the repair costs were significantly higher than those of mainstream housing stock. This re-affirmed the initial conclusions that significant financial investment would be required for the Council properties to meet the relevant quality and energy efficiency standards, with substantial contributions also required from the other property owners to upgrade common parts.

Those significant costs and limitations, coupled with the complexities associated with the listed building status and joint ownership of Castlebank House, had led to the proposal to withdraw from this property, dispose of the 4 empty properties immediately and dispose of the remaining 4 within the Council's ownership as and when they became vacant. It was proposed that the associated ancillary buildings were not included in the sale and would remain in the Council's ownership.

Subject to Committee approval, it was proposed that the Council would engage with tenants and residents. The process would include full consideration of individual tenants' current housing needs and preferences and how to meet those. Discussions with individual tenants would seek to reassure them of their right to remain in their current home and that any option to move to alternative Council housing would only be progressed with their expressed consent.

The next steps officers would take regarding communication with the remaining tenants and residents as well as marketing the 4 vacant Council properties were detailed in the report.

Income generated would contribute to the Housing Revenue Account's Capital Programme. The 4 vacant Council properties were currently valued between £250,000 and £350,000 in total, however, this value might not be achieved given the current lending market and cost to upgrade the individual properties and the common parts by prospective buyers.

Officers responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that the 4 existing empty Council properties within Castlebank House, Lanark, as detailed within Appendix 1 to the report, and any subsequent properties that became empty, be declared surplus to the operational requirements of the Resource;
- (2) that the Executive Director (Housing and Technical Resources) be authorised to progress disposal of the properties from the Housing Revenue Account through the Council's existing surplus property procedure;
- (3) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of any subsequent disposal and enter into the necessary legal agreements in terms which were in the best interests of the Council; and
- (4) that engagement take place with the remaining tenants and residents to advise of the Council's intentions in relation to Castlebank House, Lanark.

16 Community Facility Review – Ward 7, East Kilbride Central South

A joint report dated 26 July 2023 by the Executive Directors (Housing and Technical Resources) and (Community and Enterprise Resources) was submitted on the Asset Review Pilot exercise to review the community accessed assets within Ward 7 (East Kilbride Central South) and outlining proposals for properties within the Ward.

Through its approach to asset management planning and prioritised investment strategy, the Council regularly reviewed its property requirements with a view to improving the condition, suitability and effectiveness of its portfolio, identifying opportunities to improve service delivery and create a sustainable portfolio.

The Scottish Government had set out emission reduction targets in legislation with the intention for Scotland to become Net Zero by 2045, with responsibility on public sector organisations to decarbonise their properties by 2038. The costs associated with complying with this target were significant and estimated at over £250 million for the Council's schools alone. Therefore, it was imperative, before embarking on the development of investment proposals and seeking funding, that the Council was confident of the service need for all its properties.

Set against this background and given the increased budget pressures within the Council and, consequently, South Lanarkshire Leisure and Culture (SLLC), the existing asset portfolio was unsustainable and it was essential to identify opportunities to reduce operating costs and avoid future financial liabilities. In terms of service continuity, it was better to do this in a planned way rather than await events which required property closure at short notice. A review of property assets across the Council by officers, in conjunction with local members, was underway and the report detailed the results of the pilot exercise which had informed the wider review process.

The options for each of the properties within Ward 7 had been reviewed by Community and Enterprise Resources, SLLC and Property Services, with input from Social Work and Education Resources, where appropriate. The collated information on the assets was then discussed with elected members for the Ward through hosting 3 meetings. The outcome of those meetings assisted with the development of the action plan detailed in the report.

The assessment of the assets was included in the report which were identified as either core estate or opportunities, such as potential reuse, sale or development.

It was recognised that the core community facilities in the area were the schools and the Murray Owen/East Kilbride Lifestyles. There was potential to create a "campus" around the Lifestyles based on the property, the pitches, bowling club and pavilion. Some alterations might be required to the Murray Owen Centre to support increased community use and the potential investment need would be identified and considered as part of the Transition Fund.

The proposed action plan was that:-

- ◆ discussions commence with the users of Westwood Hall and the Red Deer Centre to identify alternative locations for their activities
- ◆ the opportunity to redevelop the site of the Red Deer Centre for Social Housing be progressed
- ◆ the opportunity to dispose of Westwood Hall be progressed
- ◆ discussions continue with the local community regarding the Community Asset Transfer of Dunedin Pavilion

Councillor McLachlan, seconded by Councillor Lennon, moved the recommendations in the report. Councillor Cowan, seconded by Councillor Gray, moved as an amendment that the report be deferred until a uniform process for use throughout South Lanarkshire, with full community engagement, be agreed.

The Head of Property Services confirmed that the proposal now was to engage with those affected by the proposals and, while accepting the comments in relation to community engagement, advised that the Council did not have the budget to sustain the properties.

On a vote being taken electronically, and taking account of Councillor Kerr's voting preference which had been notified to the Clerk's assistant by telephone due to technical difficulties, 11 members voted for the motion and 11 for the amendment. On the casting vote of the Chair, the motion was declared carried.

The Committee decided:

- (1) that the process for reviewing the community accessed facilities within Ward 7 (East Kilbride Central South) be noted;
- (2) that the Ward 7 action plan be approved and incorporated into the overall action programme for the East Kilbride locality;
- (3) that the Head of Property Services be authorised to investigate the options for developing a "campus" around the Murray Owen Centre that included the pitches, Murray Owen Bowling Pavilion and Murray Owen Football Pavilion; and
- (4) that the Head of Property Services be authorised to take forward proposals in respect of the alternative options for:-
 - ◆ Westwood Community Hall
 - ◆ Red Deer Centre and associated Bowling Club
 - ◆ Dunedin Pavilion and pitches

17 2 and 2A Langlands Avenue, Kelvin South Industrial Estate, East Kilbride – Lease to Ellsworth Adhesives Limited

A report dated 27 July 2023 by the Executive Director (Housing and Technical Resources) was submitted on a request for a lease of 2 and 2A Langlands Avenue, Kelvin South Industrial Estate, East Kilbride to Ellsworth Adhesives Limited and requesting approval of the principal terms and conditions, as set out in the report.

Ellsworth Adhesives Limited had occupied 2 Langlands Avenue since 1 June 2006 under the terms of a 5-year lease. In October 2007, the company extended its operation into the adjoining unit at 2A Langlands Avenue and the 5-year lease was varied to formalise this change.

The lease had been automatically renewed every year since June 2011 on the same terms and conditions at a rental of £85,000 per annum.

The unit was typical of the units within the estate as it suffered from defective floor slabs, resulting in severe moisture problems which limited what it could be used for and reduced both the marketability and the rentals for the units. Occupational and rental levels within the estate had remained fairly static, however, due to an increasing demand for industrial space, rental levels were rising. As a result, negotiations were entered into with the tenant for new lease terms.

The premises had been constructed in 1994 within an estate of 27 units of steel portal frame construction with cavity brickwork and composite metal cladding to roofs. The unit was fully serviced including direct fired gas heating, WCs, 3 phase electricity, together with pedestrian and vehicular access doors. Ample car parking and servicing was provided close by.

The premises extended to a gross internal area of 2,592 sqm or thereby. This was the largest industrial unit in the Council's industrial portfolio and other than the known issue with the floor slabs, the property was in good condition for its age.

It was proposed to lease the subjects at 2 and 2A Langlands Avenue, Kelvin South Industrial Estate, East Kilbride to Ellsworth Adhesives Limited on the principal terms and conditions, as detailed in the report.

The Committee decided:

- (1) that the subjects at 2 and 2A Langlands Avenue, Kelvin South Industrial Estate, East Kilbride be leased to Ellsworth Adhesives Limited on the terms and conditions outlined in the report; and
- (2) that the Executive Director (Housing and Technical Resources), in conjunction with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of the lease and enter into the necessary legal agreements on terms which were in the best interests of the Council.

18 Floor 14, Council Offices, Almada Street, Hamilton – Extension of Lease to SEEMiS Group LLP

A report dated 27 July 2023 by the Executive Director (Housing and Technical Resources) was submitted on a request for an extension to the lease of Floor 14, Council Offices, Almada Street, Hamilton to SEEMiS Group LLP and requesting approval of the principal terms and conditions, as set out in the report.

SEEMiS Group LLP delivered management information systems to schools and education authorities throughout Scotland. SEEMiS had occupied Floor 14 of the Council Offices at Almada Street, Hamilton since 1 September 2013 under the terms of a 10-year lease.

The current rent of £109,727 per annum was last reviewed in September 2018. This was a composite charge which included all costs related to the tenant's occupation of Floor 14, including non-domestic rates, utility costs, heating, service charges, cleaning and building insurance.

SEEMiS had requested terms for a 5-year extension of the lease. As the operational costs of the building had increased, it was proposed that the composite rent be increased from £109,727 per annum to £121,000 per annum.

It was proposed that the existing lease of Floor 14, Council Offices, Almada Street, Hamilton to SEEMiS Group LLP be varied on the principal terms and conditions, as detailed in the report.

The Committee decided:

- (1) that the lease of Floor 14, Council Offices, Almada Street, Hamilton to SEEMiS Group LLP be extended, subject to the terms outlined in the report; and
- (2) that the Executive Director (Housing and Technical Resources), in conjunction with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of the Minute of Variation and enter into the necessary legal agreements on terms which were in the best interests of the Council.

19 Stewartfield Community Centre, East Kilbride – Asset Transfer to Badminton Academy Social Enterprise

A report dated 30 July 2023 by the Executive Director (Housing and Technical Resources) was submitted on a request for asset transfer, by lease, of Stewartfield Community Centre, East Kilbride to Badminton Academy Social Enterprise (BASE) and requesting approval of the principal terms and conditions of asset transfer, as detailed in the report.

The Council owned Stewartfield Community Centre, East Kilbride. The property was leased to South Lanarkshire Leisure and Culture (SLLC) and consisted of a main sports hall and smaller community hall.

BASE was a Community Interest Company Limited by Shares that had been in existence since February 2021. BASE was a not-for-profit social enterprise with the purpose of bringing people and communities together through a shared interest in badminton. BASE had submitted a request for Community Asset Transfer of the sports centre, by lease, with the validation date of 26 February 2023.

In addition to placing the application and supporting documentation on the Council's Planning Portal, notices had been placed on the property advising that the Council was considering an asset transfer. The closing date for responses was 17 May 2023, at which time 212 responses had been received, 28 positive and 184 negative.

The request had been considered at the Community Asset Transfer Assessment Panel on 30 June 2023 when matters in relation to the property, organisation and project had been taken into consideration.

It was proposed to lease Stewartfield Community Centre, East Kilbride to BASE on the principal terms and conditions detailed in the report.

The proposed asset transfer removed an operating loss for SLLC in excess of £140,000 per annum whilst allowing the existing classes to still be delivered. The full saving to SLLC would not be immediately realised as it would be dependent upon the successful transfer of staff to other establishments as vacancies arose.

Officers responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that Stewartfield Community Centre, East Kilbride be leased to Badminton Academy Social Enterprise (BASE), subject to the terms and conditions detailed in the report; and
- (2) that the Executive Director (Housing and Technical Resources), in conjunction with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of the lease and enter into the necessary legal agreements on terms which were in the best interests of the Council.

20 Urgent Business

There were no items of urgent business.