

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	7 February 2024
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Former Spittal Community Centre, Carrick Road, Rutherglen and Former Toll Pitch Community Hall, Hamilton Road, Cambuslang – Lease to The LEAP Project
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Housing and Technical Resources Committee of the request for a concessionary lease of the former Spittal Community Centre, Carrick Road, Rutherglen and former Toll Pitch Community Hall, Hamilton Road, Cambuslang to The LEAP Project; and
- ◆ seek approval to the principal terms and conditions as set out in Section 5 of the report

2. Recommendation(s)

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

- (1) that the former Spittal Community Centre, Carrick Road, Rutherglen, be leased subject to the terms and conditions outlined in Section 5.1 of the report
- (2) that the former Toll Pitch Community Hall, Hamilton Road, Cambuslang be leased subject to the terms and conditions outlined in Section 5.2 of the report; and
- (3) 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 leases and enter into the necessary legal agreements on terms which are in the best interests of the Council

3. Background

- 3.1. The subjects at Spittal Community Centre, Carrick Road, Rutherglen and Toll Pitch Community Hall, Hamilton Road, Cambuslang were, until March 2023, managed by South Lanarkshire Leisure and Culture (SLLC).
- 3.2. Following a review of its business plan, the SLLC Board announced that it could not sustain service delivery from this facility and control was returned to the Council.
- 3.3. The LEAP Project approached the Council with a request for an annual lease of these subjects to enable the facilities to re-open for community use as quickly as possible. The leases will enable them to operate the facilities whilst testing the viability of a future Community Asset Transfer (CAT).

3.4. At this point, this is not a formal CAT request in terms of the Community Empowerment (Scotland) Act 2015, however, the application to lease has been assessed following the established CAT procedure. The Community Asset Transfer Working Group has recommended that the applicants be granted a 100% rent reduction for the annual leases and it is anticipated that a formal CAT application will be developed.

3.5. Property

3.5.1. The extent of the properties is shown on the attached plans and as there is no change of use or development proposed, planning consent will not be required in either case.

3.5.2. The in-house valuer has estimated that the rental values associated with the properties are circa £9,900 per annum and £4,500 per annum respectively.

3.6. Organisation

3.6.1. The LEAP Project is a Scottish Charitable Incorporated Organisation (SCIO) Company Registration No SCIO 024196. LEAP, as an organisation, has been operating since 1992 and manages several properties in the area. The organisation is stable and has considerable funds and income streams.

3.6.2. The purpose of the organisation is to provide facilities for educational, health and recreational activities and resources to the residents of Cambuslang.

3.7. Project

3.7.1. The proposal is for The LEAP Project to re-open the facilities as community halls and offices then, through their management, develop additional activity which will evidence a sustainable operating model and support a future CAT application. The grant of an annual lease will allow the organisation to assess the viability of the proposals and develop proposals for future, longer term lease agreements or purchase.

3.7.2. The organisation has several ideas for the use of the facility and is keen to limit the impact of the hall's closure on local community groups.

4. Assessment

4.1. The properties are suitable for the proposed use and the organisation has the capacity and funds to manage them.

4.2. The grant of the annual leases will enable the facilities to re-open and relieve the Council of the costs of empty property rates, utility charges, insurance costs and repairs.

4.3. The risks associated with the proposed leases are considered low given both the status of the organisation and that the request is for year-to-year lease arrangements.

4.4. The Council has no alternative operational requirement for either of the subjects. Should the lease prove unsustainable for The LEAP Project, the Council will have the ability to resume full ownership and consider the future of the properties, however, it is anticipated that a formal application for CAT will be forthcoming.

5. Proposal

5.1. It is proposed to lease the subjects at Spittal Community Centre, Carrick Road, Rutherglen to The LEAP Project on the following principal terms and conditions:-

1. the lease will be to The LEAP Project
2. the lease will be for a period of 1 year
3. the date of entry to be agreed
4. the rental shall be £1 per annum, if asked

5. the lease to be fully repairing and insuring. Neither tenant nor the landlord will be responsible for any major repair works that may be required to the premises
6. the tenants will be required to obtain and exhibit as required, public liability insurance to the value of £5 million for any one claim
7. the Council will insure the property and recover the costs from the tenants
8. the property will be used as a community hall and offices
9. the tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects
10. assignation and subletting (excluding hourly lets) will not be allowed without the Council's express consent
11. each party to be responsible for their own legal costs, however, the tenants will require to pay any registration fees and Land and Buildings Transaction Tax (LBTT) if required

5.2. It is proposed to lease the subjects at Toll Pitch Community Hall, Hamilton Road, Cambuslang to The LEAP Project on the following principal terms and conditions:-

1. the lease will be to The LEAP Project
2. the lease will be for a period of 1 year
3. the date of entry to be agreed
4. the rental shall be £1 per annum, if asked
5. the lease to be fully repairing and insuring. Neither tenant nor the landlord will be responsible for any major repair works that may be required to the premises
6. the tenants will be required to obtain and exhibit as required, public liability insurance to the value of £5 million for any one claim
7. the Council will insure the property and recover the costs from the tenants
8. the property will be used as a community hall and offices
9. the tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects
10. assignation and subletting (excluding hourly lets) will not be allowed without the Council's express consent
11. each party to be responsible for their own legal costs, however, the tenants will require to pay any registration fees and Land and Buildings Transaction Tax (LBTT) if required

5.3. At the expiry of the leases, the Council will consider renewal of the leases subject to being satisfied as to the operation of the subjects by the tenants and the demonstration of community benefits.

6. Employee Implications

6.1. There are no employee implications associated with this report.

7. Financial Implications

7.1. The lease will result in a saving in void property costs including empty rates, insurance and utility standing charges and repairs and maintenance.

7.2. The properties remain in Council ownership and therefore, a future capital receipt remains an option.

8 Climate Change, Sustainability and Environmental Implications

8.1. There are no issues in relation to climate change, sustainability and the environment contained within this report.

9. Other Implications

9.1. None.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. Consultation has taken place with the Community Participation Team, Legal Services and Community and Enterprise Resources.
- 10.2. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function, or strategy and therefore, no impact assessment is required.

Stephen Gibson

Executive Director (Housing and Technical Resources)

10 January 2024

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent
- ◆ Caring, connected, sustainable communities

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, Head of Property Services

Ext: 4073 (Tel: 01698 454073)

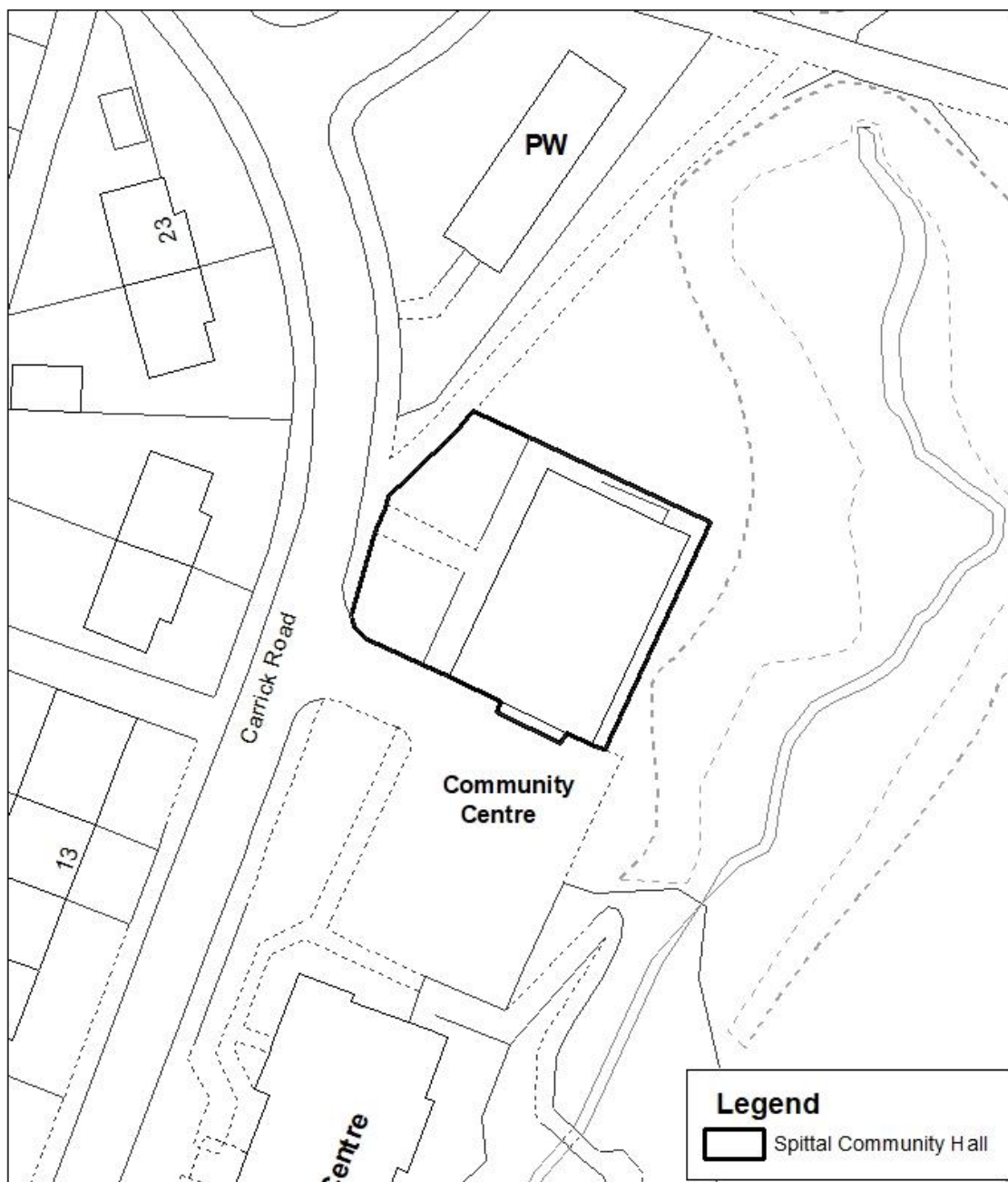
email: joanne.forbes@southlanarkshire.gov.uk

LOCATION PLAN - For Committee Purposes Only

Spittal Community Hall
Carrick Road
Rutherglen



HOUSING AND TECHNICAL



Ordnance Survey



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Ordnance Survey 100020730.

Area outlined in Black 581 sqm or thereby

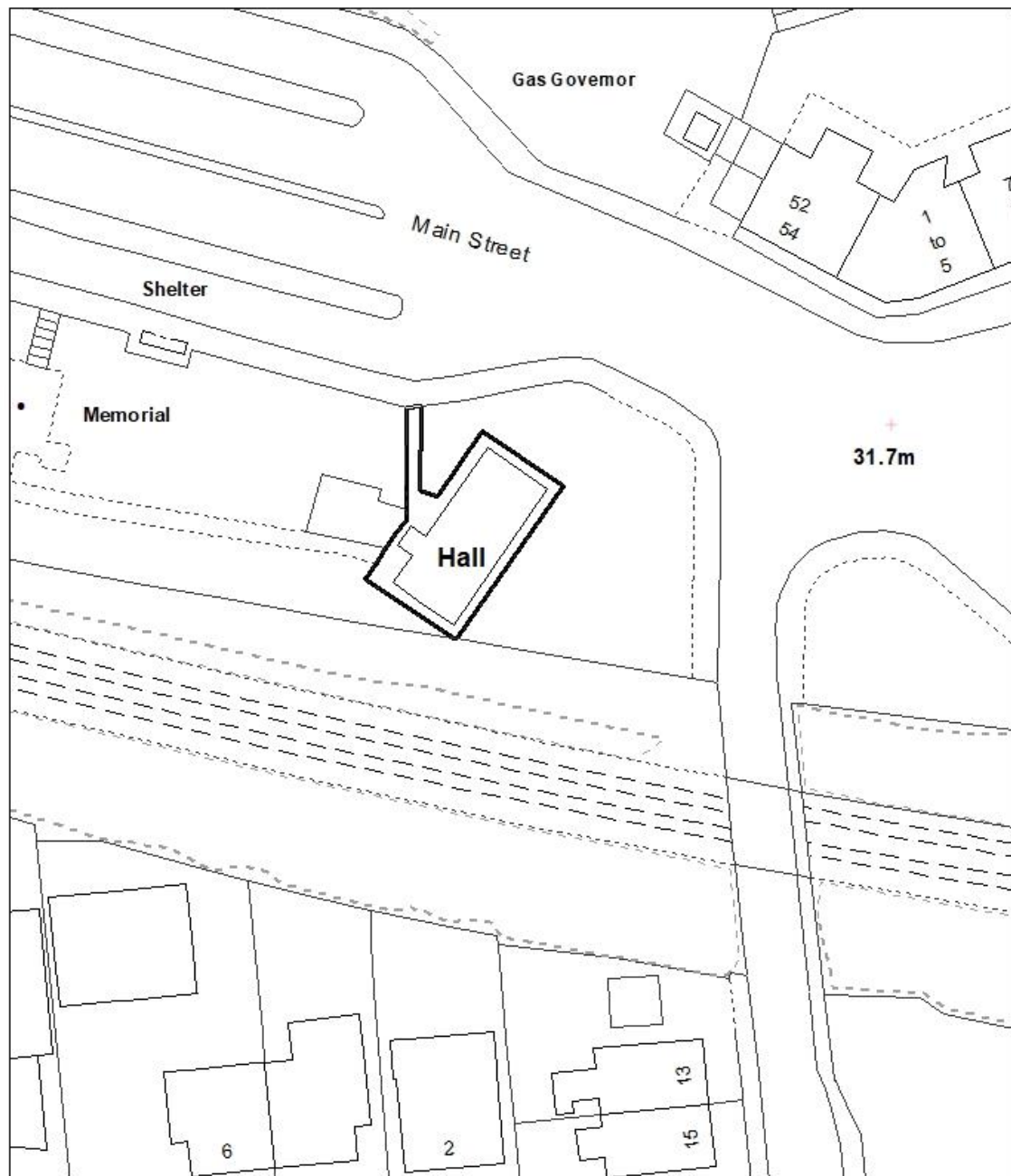
DATE: 01/11/2023

LOCATION PLAN - For Committee Purposes Only

Toll Pitch Hall
Main Street
Cambuslang



HOUSING AND TECHNICAL



Ordnance Survey



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Area outlined in Black 242 sqm or thereby

DATE: 01/11/2023