

Report

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

Subject:	Concessionary lease of part of the Ground Floor of Brandon Gate, Block A, Hamilton, to The Educational Institute of Scotland – South Lanarkshire Local Association.
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1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ seek approval for the grant of a concessionary lease to The Educational Institute of Scotland – South Lanarkshire Local Association in respect of part of the ground floor of Brandon Gate, Block A, Hamilton for administrative purposes.

2 Recommendation(s)

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

- (1) that agreement is given for the proposed lease of the premises forming part of the ground floor at Brandon Gate, Block A, Hamilton to The Educational Institute of Scotland – South Lanarkshire Local Association on the under noted terms and conditions.
- (2) that the Executive Director (Enterprise Resources) in consultation with the Head of Legal Services, if appropriate, be authorised to conclude all matters and enter in the necessary legal agreements and terms that are in the best terms of the Council.

3 Background

- 3.1 Brandon Gate is a modern office development located on the north side of Brandon Street at the junction with Leechlee Road, Hamilton.
- 3.2 Brandon Gate, Blocks A and B are occupied by the Council and leased from Krish Two Ltd, a private property investment company for the period 1 April 2004 to 1 March 2025.
- 3.3 The accommodation to be leased is located within the ground floor of Block A (shown on attached plan) and comprises of two individual office suites with basic specification which includes suspended ceiling, Category 2 lighting, wall and floor coverings and adequate power/IT points.

- 3.4 The premises are held within the Corporate Resources account who support the proposal particularly given the benefits to be gained by South Lanarkshire Council under its partnership working arrangements with the trade unions. The organisation currently occupy premises in Quarry Street which they have to vacate, and there is benefit to the Council in retaining the organisation in the Hamilton area. The rent proposed represents the rent currently paid by the organisation in their existing .

4 Lease Terms and Conditions

- 4.1 The key features of the lease are:
- (1) The lease is initially for a period of three years from 16 January 2006.
 - (2) The rent is to be £6,700, exclusive of VAT, payable in advance on the 28th of each month. The annual rental is effectively a “composite rental” and includes the rent and all other occupational costs, for example heating, lighting, rates and service charges.
 - (3) Permitted use of the property will be as an office.

5 Employee Implications

- 5.1 There are no personnel implications for the Council.

6 Financial Implications

- 6.1 The proposed new lease rent is £6,700, exclusive of VAT per annum. Although the full rental value of the accommodation is £10,215, exclusive of VAT per annum the rental income from The Educational Institute of Scotland represents income which the Council is not currently realising and assists with the maintenance of Corporate Resources properties.

7 Other Implications

- 7.1 There are no other implications.

8 Consultation

- 8.1 Consultations have been undertaken with Corporate Resources (owning account) who are supportive of this proposal.

Iain Urquhart
Executive Director (Enterprise Resources)

Robert McIlwain
Executive Director (Corporate Resources)

15 August 2006

Link(s) to Council Objectives

- Learning in the Community

Previous References

- None

List of Background Papers

- Location Plan

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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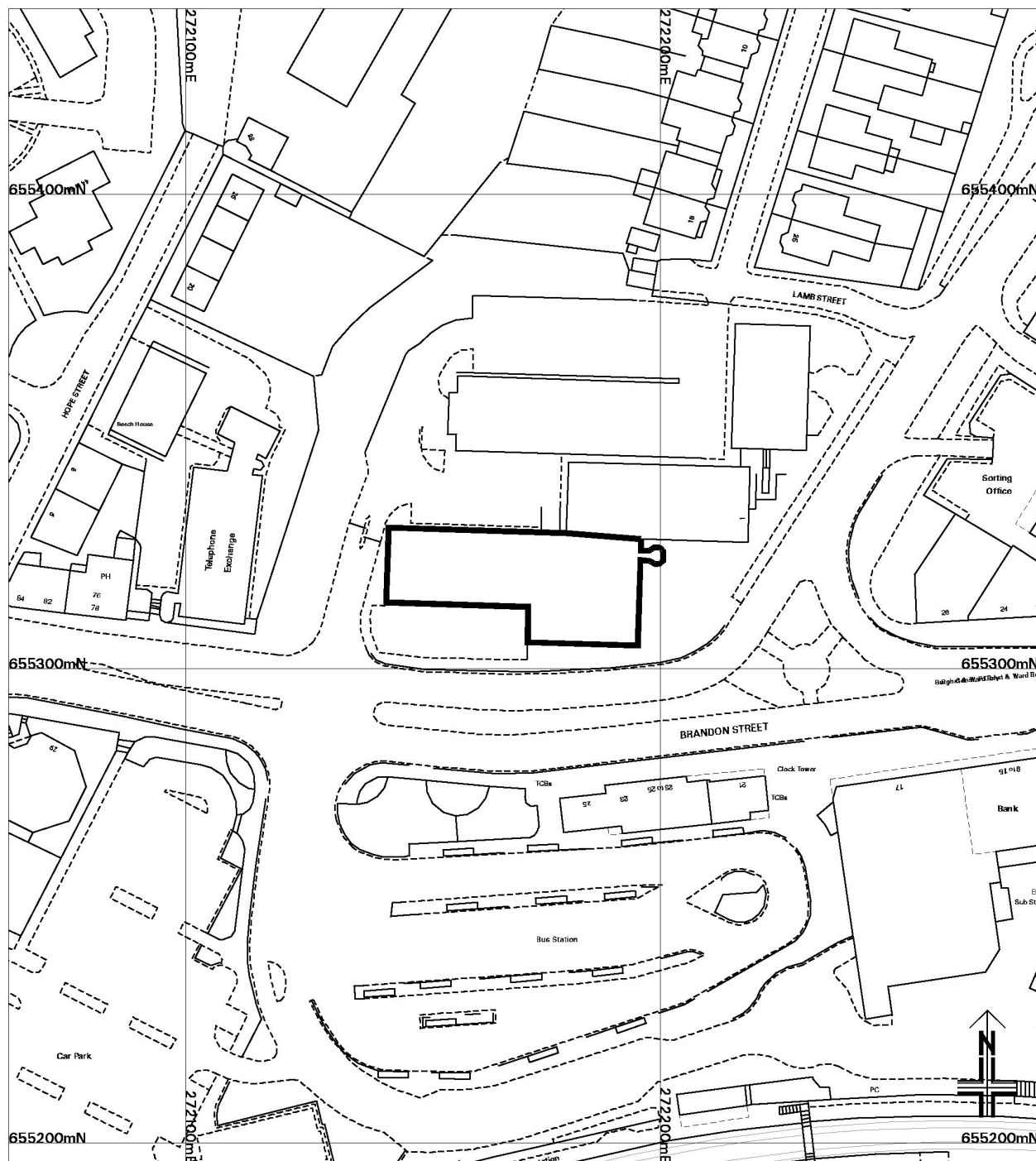
E-mail: david.goodfellow@southlanarkshire.gov.uk

LOCATION PLAN - For Committee purposes only

Brandongate - Block A
Hamilton

SOUTH
LANARKSHIRE
COUNCIL

ESTATES SERVICES



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