

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	24 April 2024
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Community Asset Transfer of 33 Smyllum Road, Lanark – 5 year Lease to Healthy Valleys
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Committee of the request for a 5 year lease of 33 Smyllum Road, Lanark by Healthy Valleys 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 subjects at 33 Smyllum Road, Lanark the be leased to Healthy Valleys subject to the terms and conditions outlined in Section 5 of 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 are in the best interests of the Council.

3. Background

3.1. The subjects at 33 Smyllum Road, Lanark form part of a range of retail units in Council and private ownership. In 2022 Healthy Valleys were granted an annual tenancy of the unit on commercial terms to develop their operations and form which to provide local services.

3.2. Healthy Valleys have now approached the Council with a request for a 5 year lease of the subjects to enable the facility to futher develop.

3.3. This is a formal Community Asset Transfer request in terms of the Community Empowerment (Scotland) Act 2015. The request was validated on 1 December. The application and supporting documentation was placed on the Planning Portal. The closing date for responses was 4 January 2024 at which time no public comments were received. The application for the lease was considered by the Community Asset Transfer Assessment panel on 31 January 2024 where the following matters were taken into consideration.

3.4. Property

3.4.1. The extent of the property is shown on the attached plan and there is no change of use or development proposed.

3.5. Organisation

3.5.1. Healthy Valleys is a charitable company limited by Guarantee Company Registration No SC246145 and Charity Registration No SCO34253. The organisation has been operating since 2003. Healthy Valleys are a strong, well-established body with diverse community focussed activities throughout Clydesdale Area.

3.5.2. The purpose of the organisation is to provide facilities, activities, and resources to protect mental and physical health education for the residents of Lanark and Clydesdale.

3.6. Project

3.6.1. The proposal is for Healthy Valleys to continue to use the facility as a centre for their mental and physical health education activities. The grant of 5-year lease will allow the organisation to continue to develop the facility for the longer term with security of occupation.

3.6.2. The facility will provide opportunities for Warm Spaces, Peer Support Group and a series of workshops and classes.

4. **Assessment**

4.1. The property continues to be suitable for the use and the organisation has ability, capacity and funds to manage the facility.

4.2. The grant of the 5-year lease will enable the tenants to invest in the facility 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 lease are considered low, given the status of the organisation and the community benefits already being delivered.

5. **Proposal**

5.1. It is proposed to lease the subjects at 33 Smyllum Road, Lanark on the following principal terms and conditions:-

- i. The lease will be to Healthy Valleys.
- ii. The lease will be for a period of 5 years.
- iii. The date of entry to be agreed.
- iv. The rental shall be £1 per annum, if asked.
- v. The lease to be fully repairing and insuring.
- vi. The tenants will be required to obtain and exhibit as required, public liability insurance to the value of £5 million for any one claim.
- vii. The Council will insure the property and recover the costs from the tenants.
- viii. The tenants will meet the costs of any common repairs and maintenance of the common areas on a pro rata basis.
- ix. The property will be used in conjunction with the tenant's activities as providers of physical and mental health education.
- x. The tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects.
- xi. Assignment and subletting (excluding hourly lets) will not be permitted without the Council's express consent.
- xii. 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.

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 loss of rental income of £4,350 per annum. However it should be noted that this is not currently being received and would be dependent on attracting an alternative tenant at market value.
- 7.2. The letting will result in a saving of any void property costs including empty rates, insurance and utility standing charges and repairs and maintenance.

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. The Council will manage the retained common repairs liabilities for the retail range.
- 9.2. In terms of the Community Empowerment (Scotland) Act 2015, the Council has until 31 May 2024 to provide a notice of its decision whether to agree or to refuse the asset transfer request.
- 9.3. The organisation has the right to appeal to Scotland Ministers should a decision not be made in that timescale, if the asset transfer is refused or the organisation does not agree with the proposed terms and conditions.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. Consultation has taken place with the Community Participation Team.
- 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)

13 March 2024

Link(s) to Council Values/Priorities/Outcomes

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

Previous References

- ◆ None

List of Background Papers

- ◆ Application and supporting documentation via Planning Portal ref CAT/23/0014.

Contact for Further Information

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

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LOCATION PLAN - For Committee Purposes Only

33 Smyllum Road
Lanark



HOUSING AND TECHNICAL

