

# Report

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Report to:	<b>Estates Committee</b>
Date of Meeting:	<b>17 January 2012</b>
Report by:	<b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Lease of 5 Cathcart Place, Rutherglen</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- advise on action taken, in terms of Standing Order No 36(c) because of the timescales involved, by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, to lease ground at 5 Cathcart Place, Rutherglen to MMPS (Scotland) Ltd.

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendations:-

- (1) that the following action taken, in terms of Standing Order No 36(c), by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, be noted
  - approval of the lease of the ground at 5 Cathcart Place, Rutherglen to MMPS (Scotland) Ltd on the main terms and conditions outlined in section 4.
  - approval of a month to month lease agreement to MMPS (Scotland) Ltd, on the same rental terms, pending completion of the 99 year lease to allow early entry to the site.
  - authorisation of the Executive Director (Housing and Technical Resources), in consultation with Head of Legal Services, if appropriate, to conclude all matters in respect of the grant of lease and enter into the necessary legal agreements on terms which are in the best interests of the Council.

## 3. Background

- 3.1. Cathcart Place is within the Bankhead area of Rutherglen, which has been identified by the Council as an area for regeneration through industrial development and investment. Being close to the Clyde Gateway Project area, Cathcart Place is attractive to businesses requiring to relocate as a result of the wider Regeneration Initiative.
- 3.2. 5 Cathcart Place was acquired by the Council in 2008 and subsequent remediation was completed earlier this year and an enclosed yard created.
- 3.3. MMPS (Scotland) Ltd previously occupied ground at 50 Clydeside Road, Rutherglen, under the terms of a 133 year ground lease from the Council. Clyde Gateway URC has now acquired this tenancy as part of their site assembly for the remediation and redevelopment of the Shawfield area. Clyde Gateway URC has scheduled the

demolition of the building and provisional terms and conditions have been agreed with MMPS (Scotland) Ltd for the lease of 5 Cathcart Place, Rutherglen to facilitate their relocation.

- 3.4. MMPS (Scotland) Ltd are a building company established in 1999 and currently have 42 employees.

#### **4. Terms and Conditions**

- 4.1. The proposed lease terms and conditions are as follows;

1. The lease shall be in the name of MMPS (Scotland) Ltd.
2. The lease shall be for a period of 99 years and the date of entry shall be on conclusion of missives.
3. Until such times as the 99 year lease is finalised, the Council will grant a month to month licence at £375 per month. Date of entry to be agreed.
4. The rental shall be £4,500 per annum exclusive of VAT.
5. The rental will be subject to five yearly reviews.
6. The tenant shall be responsible for obtaining all statutory consents required in connection with their use and occupation of the ground.
7. The ground shall be used as a yard in connection with the tenant's building business, however the tenants will be permitted to use the subjects for uses falling under classes 4, 5 and 6 of the Town and Country Planning (Use Classes) (Scotland) Order 1997, subject to landlord's consent which will not be unreasonably withheld.

#### **5. Employee Implications**

- 5.1. There are no employee implications.

#### **6. Financial Implications**

- 6.1. The lease of this ground is at market rental and provides new revenue income to the Council.

#### **7. Other Implications**

- 7.1. If the lease does not proceed, the Clyde Gateway programme for the demolition of 50 Clydeside Road will be delayed as will the subsequent redevelopment.

#### **8. Equalities Impact Assessment and Consultation Arrangements**

- 8.1. 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.
- 8.2. The Clyde Gateway is a partnership that involves the Council working with the Scottish Government, Scottish Enterprise National and Glasgow City Council. The partners have been consulted and are happy for this lease to be concluded.

**Lindsay Freeland**  
**Executive Director (Housing and Technical Resources)**

23 November 2011

**Link(s) to Council Objectives/Improvement Themes/Values**

- Support the local economy by providing the right conditions for growth, improving skills and employability.
- Improve the quality of the physical environment.
- Sustainable Development.

**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:-

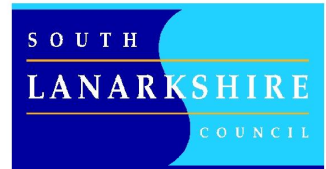
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# LOCATION PLAN - For Committee Purposes Only

Yard 5, Cathcart Place  
Rutherglen



## PROPERTY SERVICES



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