1. **Purpose of Report**
1.1. The purpose of the report is to:-

- advise of the request for a concessionary let of the former public toilets at King Street, Stonehouse, ML9 3EQ, by means of an initial 2 year lease, to Stonehouse Men’s Shed

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

(1) that the former public toilets at King Street, Stonehouse be leased to Stonehouse Men’s Shed SCIO Number SC049237, at a rental of £1 per annum, and subject to the terms and principal conditions outlined in Section 4 of this 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 former toilets at King Street, Stonehouse closed to the public on 30 June 2015. The property was circulated in Property Bulletin 15/02 and no operational requirements were identified. The property has not been formally declared surplus, or transferred to the Corporate Land Bank for disposal, and therefore remains within the Community and Enterprise Resources Account.

3.2. In February 2019 Stonehouse Men’s Shed approached the Council with a proposal for the property and submitted an application for let. Whilst this is not a formal request for community asset transfer the same matters have been taken into account in considering the request.

3.3. **Property**
3.3.1. The property consists of a public toilet (ladies, gents and disabled) and office accommodation within a site extending to 0.025 ha. The property, built in the late 1980’s, sits back from the main shopping street in Stonehouse and there are no significant title issues.
3.3.2. The property has a market value for sale in the region of £20,000 to £25,000 and a nominal rental value reflecting its existing condition and status as former public toilets.

3.3.3. The Council has an ongoing liability for utilities, rates, insurance and security until such times as the property is sold or let.

3.4. **Organisation**
3.4.1. Men’s Shed is a worldwide network of facilities with existing Men’s Sheds in Hamilton, East Kilbride and Rutherglen, however, at these locations the facilities are not located in Council premises.

3.4.2. Stonehouse Men’s Shed is a Scottish Charitable Incorporated Organisation (SCIO), and formed in September 2018. There is considerable capacity within the group and access to wider support and volunteers to develop the former toilets as a base for the organisation. The members of the organisation come from all backgrounds and have a detailed understanding of the liabilities associated with property.

3.5. **Project**
3.5.1. Stonehouse Men’s Shed are seeking a tenancy of the subjects to develop as a base for their operations.

3.5.2. The initial proposal is to refurbish the subjects and to create workshops, disabled WC, kitchen and meeting space as a facility where people can obtain information on services and access activities available via the Men’s Shed network.

3.5.3. The group estimate the development cost to be circa £30,000 which will be funded externally from a variety of sources. The property will be used for training sessions, meetings and a variety of community activities related to the group’s objectives including woodworking, model making, music, horticultural activities, etc, all encouraging social interaction.

3.5.4. There is the potential to develop the project further to consider a Community Asset Transfer in future years should the initial lease prove successful and sustainable.

3.5.5. Community benefits in relation to health, tackling inequality, tackling poverty, tackling isolation and promoting sustainable and inclusive communities have been identified.

3.6. **Assessment**
3.6.1. Stonehouse Men’s Shed is a relatively new organisation with currently 30 members, however, the body has sufficient existing capacity in terms of managing a property and experience in delivering community based projects. The group anticipate membership increasing after securing the premises.

3.6.2. The organisation has undertaken community consultation and is developing a sustainable business model to cover future revenue expenditure, however, the long term viability and sustainability of the project remains to be demonstrated hence the initial two year lease.

3.6.3. The property is suitable for the proposed use and the grant of a 2 year lease enables the organisation to pilot and develop the project with minimal risk to the Council.
3.6.4. The Council will not have the opportunity, in the short term, to place the property on the open market and generate a capital receipt, however, if the project is successful and longer term occupation is considered, the issue of value and community benefits will be reviewed in detail.

4. Proposal
4.1. It is proposed that the former public toilets at King Street, Stonehouse be leased to Stonehouse Men’s Shed on the following principal terms and conditions:-

- The lease will be for two years initially
- The rental will be £1 per annum
- The property will be used as a Men’s Shed facility
- The tenants will be responsible for all repairs, maintenance and insurance
- The Council will insure the building and recover the insurance premium from the tenant
- The tenants will be responsible for any rates, water rates and utility costs
- The tenants will be responsible for obtaining any necessary statutory consents required for their proposals including Planning for change of use from the existing use
- The date of entry to be upon conclusion of missives or mutually agreed date thereafter
- Each party will be responsible for their own Legal expenses
- The offer of lease is conditional upon the tenant demonstrating the availability of funding and resources to undertake the project envisaged

5. Employee Implications
5.1. There are no employee implications.

6. Financial Implications
6.1. The grant of the lease at £1 per annum removes a potential capital receipt to the Council of approximately £20,000 to £25,000 in the short term.

6.2. The lease will reduce the Council’s revenue liability in terms of the rates, maintenance, insurance and security of a vacant property.

7. Other Implications
7.1. There will be a review of the viability of the project towards the end of the two year lease and proposals for any further agreement will be reported back to Committee.

8. Equality Impact Assessment and Consultation Arrangements
8.1. Consultation has taken place with Finance and Corporate Resources (Seniors Together), Planning and Economic Development, Community and Enterprise Resources and South Lanarkshire Leisure and Culture who are in support of the proposal.

8.2. 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.

Daniel Lowe
Executive Director (Housing and Technical Resources)
31 July 2019

**Link(s) to Council Values/Ambitions/Objectives**
- Accountable, effective, efficient and transparent
- Achieve results through leadership, good governance and organisational effectiveness

**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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