



Council Offices, Almada Street  
Hamilton, ML3 0AA

Access to Information

11 May 2011

Dear Councillor

## **Estates Committee**

The Members listed below are requested to attend a meeting of the above Committee to be held as follows:-

**Date:** Tuesday 17 May 2011

**Time:** 2:00pm

**Venue:** Committee Room 1 , Council Offices , Almada Street, Hamilton

The business to be considered at the meeting is listed overleaf.

Yours sincerely

**Archibald Strang**  
Chief Executive

### **Members**

David Baillie, Walter Brogan, Jackie Burns, Graeme Campbell, Gordon Clark, Jim Docherty, Douglas Edwards, Lynn Filshie, Beith Forrest, Ian Gray, Jim Handibode, Bill Holman, Eileen Logan, Edward McAvoy, Alex McInnes, Denis McKenna, John McNamee, Alice Marie Mitchell, Graham Simpson, Mary Smith, George Sutherland, Chris Thompson, Jim Wardhaugh, Sheena Wardhaugh

## BUSINESS

**1 Declaration of Interests**

**2 Minutes of Previous Meeting**

Minutes of the meeting of the Estates Committee held on 1 March 2011 submitted for approval as a correct record. (Copy attached) Page(s) 1 to 4

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### Item(s) for Decision

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**3 Proposed Lease of Ground at Argyle Crescent, Hamilton with Associated Servitude Right of Access in Favour of Energetics Electricity Ltd**

Report dated 28 April 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 5 to 8

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### Item(s) for Noting

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**4 Lease of Ground at Caird Street, Hamilton with Associated Servitude of Right of Access in Favour of SP Energy Networks**

Report dated 12 April 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 9 to 12

**5 Lease of Business Centre Premises at Unit 10, Carluke Business Centre, 31-35 Hamilton Street, Carluke**

Report dated 7 March 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 13 to 16

**6 Sub-Lease to Memex Technology Ltd, Redwood Court, Peel Park, East Kilbride**

Report dated 21 March 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 17 to 20

**7 Peacock Cross Link Road and Park and Ride - Interim Payment of Compensation to Robert Reid Junior, 12 Wellhall Road, Peacock Cross, Hamilton**

Report dated 11 April 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 21 to 24

**8 Disposal of Land at Fernhill Road/Neilvaig Road, Fernhill, Rutherglen**

Report dated 27 April 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 25 to 28

**9 Delegated Powers Report - Update**

Report dated 13 April 2011 by the Executive Director (Enterprise Resources). (Copy attached) Page(s) 29 to End

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### Urgent Business

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**10 Urgent Business**

Any other items of business which the Chair decides are urgent.

*For further information, please contact:-  
Joyce McDonald on 01698 454521  
joyce.mcdonald@southlanarkshire.gov.uk*

## ESTATES COMMITTEE

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 1 March 2011

### Chair:

Councillor Jim Docherty

### Councillors Present:

David Baillie, Walter Brogan, Graeme Campbell, Gordon Clark, Douglas Edwards, Lynn Filshie, Beith Forrest, Ian Gray, Jim Handibode, Bill Holman, Eileen Logan, Alex McInnes, Denis McKenna, John McNamee, Mary Smith, George Sutherland, Chris Thompson, Jim Wardhaugh, Sheena Wardhaugh

### Councillors' Apologies:

Jackie Burns (Depute), Edward McAvoy, Alice Marie Mitchell, Graham Simpson

### Attending:

#### Corporate Resources

M Armstrong, Administration Officer; J McDonald, Administration Adviser

#### Enterprise Resources

J Forbes, Business Support and Property Information Manager; S Keating, Property Development Manager; J McCaffer, Head of Regeneration

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### 1 Declaration of Interests

The following interests were declared:-

<i>Councillor(s)</i>	<i>Item(s)</i>	<i>Nature of Interest(s)</i>
Campbell and Forrest	Proposed Lease of Land Adjacent to 16 Wellhall Road, Hamilton	Acquaintances of proprietor

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### 2 Minutes of Previous Meeting

The minutes of the meeting of the Estates Committee held on 7 December 2010 were submitted for approval as a correct record.

**The Committee decided:** that the minutes be approved as a correct record.

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### 3 Acquisition of Former Cambuslang Fire Station, Clydeford Road, Cambuslang

A report dated 14 February 2011 by the Executive Director (Enterprise Resources) was submitted on the acquisition of the former fire station, Clydeford Road, Cambuslang from Strathclyde Fire Board (SFB) for the provision of sheltered housing.

It was proposed that the site of the former fire station, extending to 0.85 acres, be purchased from Strathclyde Fire Board, in the sum of £245,000, subject to the terms and conditions detailed in the report.

**The Committee decided:**

- (1) that the site of the former fire station, Clydeford Road, Cambuslang, extending to 0.85 acres, be purchased from Strathclyde Fire Board, in the sum of £245,000, subject to the terms and conditions detailed in the report; and
- (2) that the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, be authorised to conclude negotiations and the necessary legal agreements on terms which were in the best interests of the Council.

*[Reference: Minutes of Housing and Technical Resources Committee of 8 December 2010 (Paragraph 13)]*

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**4 Disposal of Land at Fernhill Road/Neilvaig Road, Fernhill, Rutherglen**

A report dated 7 February 2011 by the Executive Director (Enterprise Resources) was submitted on the sale of land extending to 6.47 acres at Fernhill Road/Neilvaig Road, Fernhill, Rutherglen to West of Scotland Housing Association Limited for the provision of housing for rent and for shared equity sale.

It was proposed that the land extending to 6.47 acres at Fernhill Road/Neilvaig Road, Fernhill, Rutherglen be sold to West of Scotland Housing Association Limited, in the sum of £1,296,612, subject to the terms and conditions detailed in the report.

**The Committee decided:**

- (1) that the land extending to 6.47 acres at Fernhill Road/Neilvaig Road, Fernhill, Rutherglen be sold to West of Scotland Housing Association Limited, in the sum of £1,296,612, subject to the terms and conditions detailed in the report; and
- (2) that the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, be authorised to conclude negotiations and the necessary legal agreements on terms which were in the best interests of the Council.

*[Reference: Minutes of Executive Committee of 28 April 2010 (Paragraph 9)]*

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**5 Concessionary Lease of Land Adjacent to 16 Wellhall Road, Hamilton**

A report dated 14 February 2011 by the Executive Director (Enterprise Resources) was submitted on the concessionary lease of ground adjacent to 16 Wellhall Road, Hamilton to S Hogarth to allow access to the property and provide car parking. The proposed period of the lease was 99 years at a rent of £1 per annum, subject to the terms and conditions detailed in the report.

**The Committee decided:**

- (1) that S Hogarth be granted a 99 year lease of ground adjacent to 16 Wellhall Road, Hamilton, at a rent of £1 per annum, subject to the terms and conditions detailed in the report; and
- (2) that the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, be authorised to conclude negotiations and the necessary legal agreements on terms which were in the best interests of the Council.

*[Reference: Minutes of 16 June 2009 (Paragraph 5)]*

*Councillors Campbell and Forrest, having declared an interest in the above item, withdrew from the meeting during its consideration*

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## **6 Lease of Ground at Cathcart Place, Rutherglen with Associated Servitude Right of Access in Favour of Energetics Electricity Limited**

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A report dated 7 February 2011 by the Executive Director (Enterprise Resources) was submitted on the 60 year lease of ground at Cathcart Place, Rutherglen to Energetics Electricity Limited to construct a sub-station and allow a servitude right of access.

In view of the requirement to progress this matter as soon as possible and in terms of Standing Order No 36(c), the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, had:-

- ◆ approved the 60 year lease of ground at Cathcart Place, Rutherglen to Energetics Electricity Limited to construct a sub-station and allow a servitude right of access, at a rent of £1 per annum, subject to the terms and conditions detailed in the report
- ◆ authorised the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, to conclude negotiations and the necessary legal agreements on terms which were in the best interests of the Council

**The Committee decided:**

that the following action taken, in terms of Standing Order No 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-

- ◆ approval of the 60 year lease of ground at Cathcart Place, Rutherglen to Energetics Electricity Limited to construct a sub-station and allow a servitude right of access, at a rent of £1 per annum, subject to the terms and conditions detailed in the report
- ◆ authorisation of the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, to conclude negotiations and the necessary legal agreements on terms which were in the best interests of the Council

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## **7 Delegated Powers Report - Update**

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A report dated 6 January 2011 by the Executive Director (Enterprise Resources) was submitted on the level of transactions processed by Regeneration Services under delegated authority for the periods 1 April to 30 June 2010 and 1 July to 30 September 2010.

Regeneration Services, under delegated powers, had authority to deal with lease transactions up to a value of £50,000 per annum for a maximum period of 20 years and capital transactions up to a value of £200,000.

Details of the transactions undertaken in the periods from 1 April to 30 June 2010 and 1 July to 30 September 2010 were as follows:-

	<b>1/4/2010 to 30/6/2010</b>	<b>1/7/2010 to 30/9/2010</b>
Number of transactions	79	72
Total value of lease transactions	£1,107,747	£324,395
Total value of capital transactions	£325,920	£475,412

**The Committee decided:**

that the level of transactions processed by Regeneration Services under delegated authority for the periods 1 April to 30 June 2010 and 1 July to 30 September 2010 be noted.

*[Reference: Minutes of 4 May 2010 (Paragraph 10)]*

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**8 Urgent Business**

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There were no items of urgent business.







# Report

3

Report to:	<b>Estates Committee</b>
Date of Meeting:	<b>17 May 2011</b>
Report by:	<b>Executive Director (Enterprise Resources)</b>

Subject:	<b>Proposed Lease of Ground at Argyle Crescent, Hamilton with Associated Servitude Right of Access in Favour of Energetics Electricity Ltd.</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Seek approval to grant a lease of ground at Argyle Crescent, Hamilton, to Energetics Electricity Limited
- ◆ Approve the laying of the cables and to grant a servitude right of access in favour of Energetics Electricity Limited to the substation and associated cables for inspection and maintenance

## 2. Recommendation(s)

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

- (1) that a 60 year lease of ground at Argyle Crescent, Hamilton, is granted to Energetics Electricity Limited on the main lease terms and conditions outlined in Section 5.
- (2) that consent is granted to Energetics Electricity Limited to construct the substation and a servitude right of access is granted to inspect and maintain the cables servicing the substation as shown on the attached plan
- (3) that the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, if appropriate, be authorised to conclude all matters in respect of the grant of the lease and to enter into the necessary legal agreements in terms which are in the best interest of the Council.

## 3. Background

3.1. The Council is constructing new industrial units at Argyle Crescent, Hamilton, and have engaged Energetics Electricity Limited to locate a substation on Council owned land to service the adjacent industrial units. The substation will be constructed on ground held on the Enterprise account shown on the attached plan.

3.2. A lease requires to be granted to Energetics Electricity Limited to formalise their occupation of the ground and to bind them to maintain the substation and associated apparatus.

## 4. Current Position

4.1. The contractor has ordered a substation from Energetics Electricity Limited as per Scottish Power's requirements to provide the electricity supply to the industrial units. It is now necessary to grant a lease to ensure a long term supply and protection of the associated apparatus. It will allow the Council to meet its operational deadline of the 1<sup>st</sup> July 2011.

4.2. A servitude right of access will be granted over the areas shown on the attached plan to Energetics Electricity Limited to lay, maintain and inspect the cables servicing the substation.

## **5. Lease Terms and Conditions**

5.1 The lease terms and conditions are as follows:

1. The lease will be for 60 years from the date of entry.
2. The rent is to be £1 per annum (if asked) payable in arrears at Martinmas.
3. The site is being let for use as an outdoor electricity sub-station with underground cables connecting thereto.
4. Signalling equipment and ancillary apparatus in connection solely with the electricity undertaking is to be permitted.
5. The substation equipment is to be housed within a "GRP" type enclosure to be erected and thereafter maintained by the tenants.
6. The tenants shall be granted a right of access to and egress from the subjects at all times for laying, maintenance etc of electricity cables over the areas shown hatched on the attached plan.
7. Any gate required at the entrance to the substation is to be dual locking and will be fitted at the landlord's/supplier's expense.
8. Each party is to be responsible for their own legal expenses in connection with the transaction.

## **6. Employee Implications**

6.1. There are no employee implications.

## **7. Financial Implications**

7.1. Failure to grant this lease will have an adverse impact on the Council's ability to lease the units for operational use.

## **8. Other Implications**

8.1. By granting this lease the Council ensures Energetics Electricity Limited enter into a contract which formalises their occupation of the site and obliges them to maintain the site and their apparatus.

8.2. By not proceeding, there is a risk that Energetics Electricity Limited cannot be held responsible for maintaining the facility and possible risk to the electricity supply benefiting the Council's industrial units.

## **9. Equality Impact Assessment and Consultation Arrangements**

9.1. 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.

9.2 All necessary consultations have been undertaken with Council Resources.

**Colin McDowall**  
**Executive Director (Enterprise Resources)**

28 April 2011

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

- Improve the quality of the physical environment
- Partnership working, community leadership and engagement
- Support the local economy by providing the right conditions for growth, improving skills and employability.

**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:-

Joseph Lawson, Property Development, Regeneration Services

Ext: 5113 (Tel: 01698 455113)

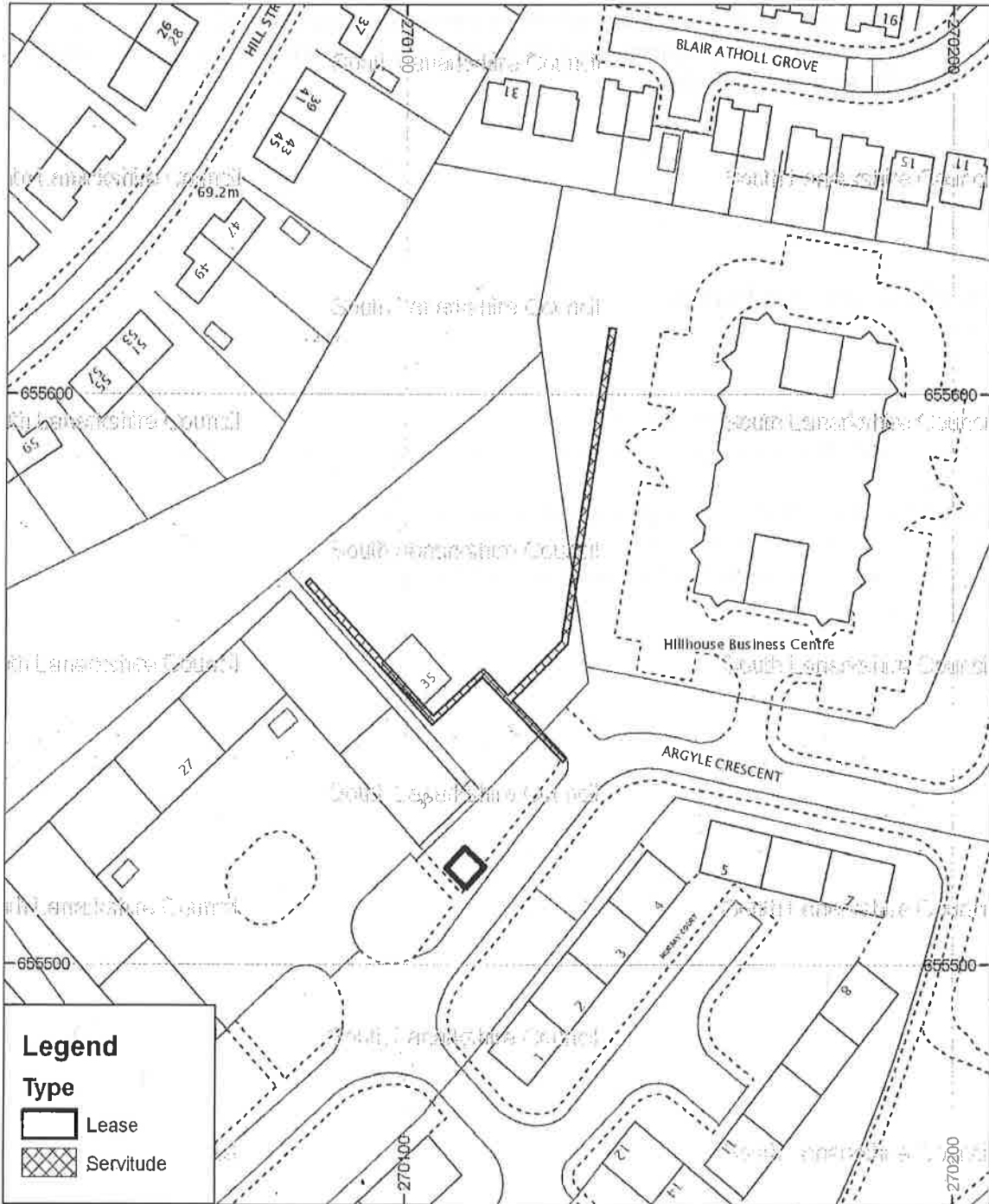
E-mail: [joseph.lawson@southlanarkshire.gov.uk](mailto:joseph.lawson@southlanarkshire.gov.uk)

LOCATION PLAN - For Committee Purposes Only

Hillhouse Industrial Estate  
Hamilton



REGENERATION SERVICES



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DATE: 27/04/2011





# Report

4

Report to: **Estates Committee**  
Date of Meeting: **17 May 2011**  
Report by: **Executive Director (Enterprise Resources)**

Subject: **Proposed Lease of Ground at Caird Street, Hamilton  
with associated Servitude Right of Access in favour of  
SP Energy Networks**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Advise on action taken, in terms of Standing Order 36(c), because of the timescales involved, by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, to approve the lease of ground at Caird Street, Hamilton, to SP Energy Networks for the construction of a new substation and the laying of the cables and to grant a servitude right of access allowing access to the substation and associated cables for maintenance and inspection.

## 2. Recommendation(s)

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

- (1) that the following action, taken in terms of Standing Order No 36(c) by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
- ◆ approval of a 60 year lease of ground at Caird Street, Hamilton, to SP Energy Networks on the main lease terms and conditions outlined in section 5 of this report.
  - ◆ approval for SP Energy Networks to construct the substation and a servitude right of access to maintain and inspect the cables serving the substation.
  - ◆ authorisation of the Executive Director (Enterprise Resources), in consultation with Head of Legal Services, if appropriate, to conclude all matters in respect of the granting of the lease and to enter into the necessary legal agreements on terms which are in the best interests of the Council.

## 3. Background

3.1. The Council owns a property at Caird Street, Hamilton, and currently licence server space to various organisations throughout Scotland. The organisations that have entered into an agreement with the Council include Information Services and Information Systems (ISIS), North Lanarkshire Council, University of the West of Scotland, West Lothian Council and the Ministry of Justice office.

3.2. Due to the increasing demand for this service, the facility requires additional power capacity which, in turn, necessitates a new substation. This substation will be constructed and maintained by SP Energy Networks on ground owned by the Council, currently held in the Social Work Resources account (see attached Plan).

3.3. A lease requires to be granted to SP Energy Networks to formalise their occupation of the ground and to bind them into maintain the substation and associated apparatus.

#### **4. Current Position**

4.1. Regeneration Services, on behalf of the Council, has concluded negotiations with SP Energy Networks to locate a substation on Council owned land to service the Council's adjacent property at Caird Street, Hamilton, for the reasons stated in Section 3 of this report.

4.2. On the 12 June, 2011, there is a scheduled manual server shutdown to accommodate an operational update and failure to meet this deadline will result in the work being delayed until June 2012.

4.3. To accommodate this timescale, SP Energy Networks has scheduled the work to commence on the weekend of the 12/13 May 2011.

#### **5. Lease Terms and Conditions**

5.1. The lease terms and conditions are as follows:

1. The lease will be for 60 years from the date of entry.
2. The rent is to be £1 per annum (if asked for only) payable in arrears at Martinmas;
3. The site is being let for use only as an outdoor electricity station with underground cables connecting thereto;
4. Signalling equipment and ancillary apparatus in connection solely with the electricity undertaking is to be permitted;
5. The substation equipment is to be housed within a "GRP" type enclosure to be erected and thereafter maintained by the tenants;
6. The tenants shall be granted a right of access to and egress from the subjects at all times for (a) 5 metre vehicle and personnel access shown cross hatched on the attached plan, (b) Combined vehicle access and cable servitude shown hatched on the attached plan, (c) 2 metre cable servitude shown dotted on the attached plan.
7. Any gate required at the entrance to the substation is to be dual locking and is required to be fitted at your clients' costs
8. Each party is to be responsible for its own legal expenses in connection with the transaction.

#### **6. Employee Implications**

6.1. There are no employee implications.

#### **7. Financial Implications**

7.1. There are no financial implications arising from this report and recommendations.

#### **8. Other Implications**

8.1. Failure to grant this lease will have an impact on the Council being able to meet the increased customer demand for the Caird Street Facilities and the Council will be unable to provide the service outlined in the licence agreements.



8.2. By granting this lease, the Council ensures SP Energy Networks enter into a contract which formalises their occupation of the site and obliges them to maintain the site and their apparatus.

**9. Equality Impact Assessment and Consultation Arrangements**

9.1. 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.

9.2 All necessary consultations have been undertaken with Council Resources.

**Colin McDowall**  
**Executive Director (Enterprise Resources)**

12 April 2011

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

- Efficient and Effective use of Resources

**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: - Joseph Lawson, Regeneration Services

Ext: 5113 (Tel: 01698 455113)

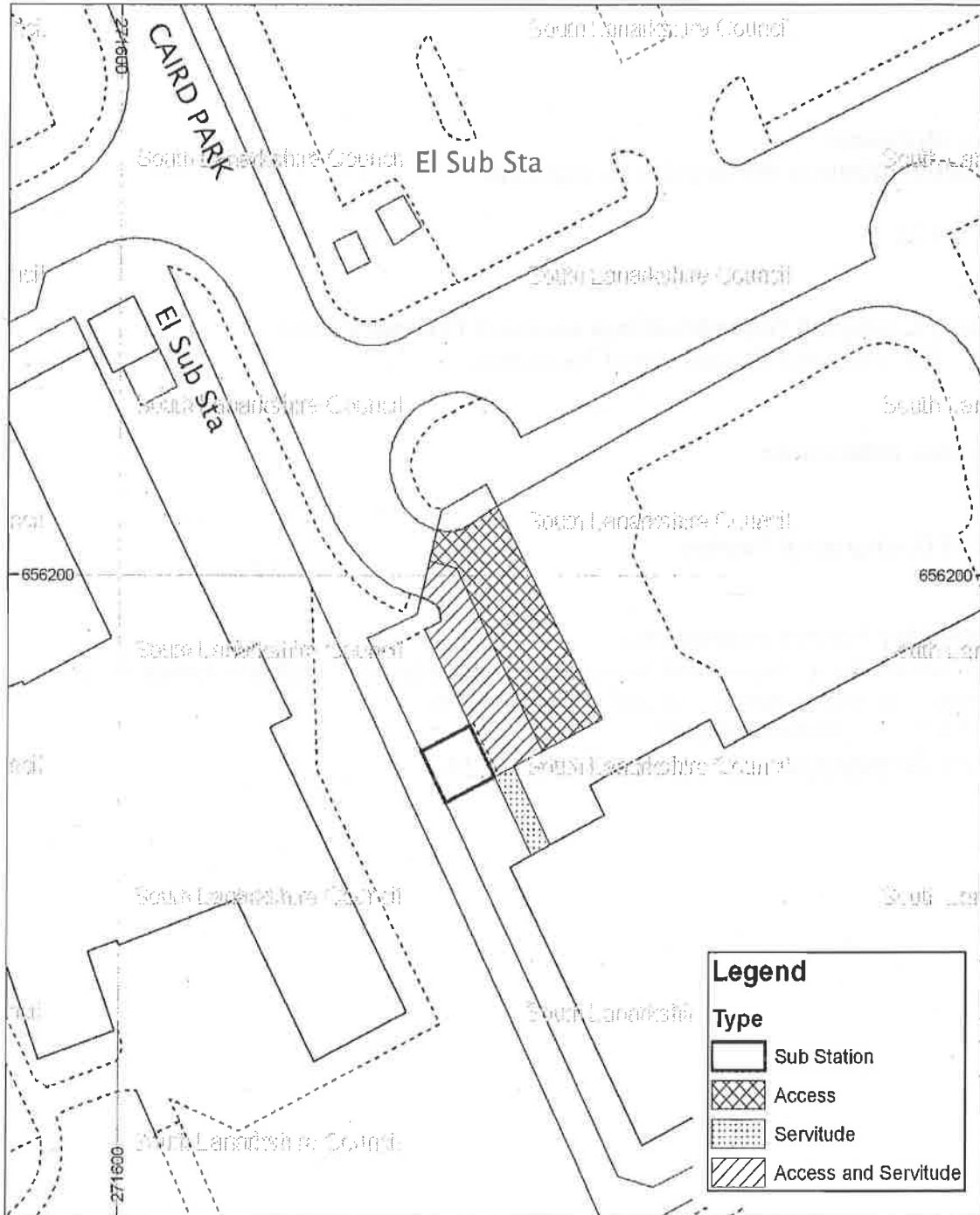
E-mail: [Joseph.lawson@southlanarkshire.gov.uk](mailto:Joseph.lawson@southlanarkshire.gov.uk)

LOCATION PLAN - For Committee Purposes Only

Caird Park  
Hamilton



REGENERATION SERVICES



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Sub Station 25 sqm or thereby

DATE: 24/03/2011





# Report

5

Report to: **Estates Committee**  
Date of Meeting: **17 May 2011**  
Report by: **Executive Director (Enterprise Resources)**

Subject: **Lease of Business Centre Premises at Unit 10, Carluke Business Centre, 31-35 Hamilton Street, Carluke**

## 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 (Enterprise Resources), in consultation with the Chair and an ex officio member, to grant a concessionary lease to Carluke Development Trust for the premises at Unit 10 Carluke Business Centre, 31-35 Hamilton Street, Carluke.

## 2. Recommendation(s)

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

- (1) that the following action taken, in terms of Standing Order No. 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
- ◆ Approval of the grant of a concessionary lease to Carluke Development Trust for the premises at Unit 10 Carluke Business Centre, 31-35 Hamilton Street, Carluke, which they will occupy as offices and administration space.
  - ◆ Authorisation of the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, if appropriate, to conclude the necessary legal agreements on behalf of the Council

## 3. Background

- 3.1. Carluke Business Centre is a new facility created by the refurbishment of 3 former shop properties at 31-35 Hamilton Street, Carluke, located on the ground floor of a sandstone fronted 2 storey property. The upper floor is occupied as residential.
- 3.2. Internally, the Business Centre offers 10 small office units ranging in size from 9sq.m up to 16.5sq.m (96-177sq.ft) with refurbished toilet facilities. A small common kitchen area has been provided to the rear of the property for use by the various tenants.
- 3.3. Lease agreements at the Centre allow flexibility over the period of occupation, payments for which will involve a combined rent/service charge payable monthly. The service charges incorporate charges for communal heating and electrical supply.

- 3.4. Carluke Development Trust is a company limited by guarantee, whose registered office is at 30 Cassels Street, Carluke. The Trust is also a registered charity. The Trust was incorporated in 1999 and, under its Memorandum and Articles of Association, has a wide remit aimed at promoting Carluke as a place of business and residence and providing support to community enterprises and companies with an interest in the broad development of Carluke. The Trust has been instrumental in the development of Carluke Business Centre as a means of providing modern office facilities for small businesses to grow within the town. While they will use the offices at Carluke Business Centre for the administration of the Trust's business, they will also have an informal watching brief in the operation of the Business Centre, which has no dedicated support on site.

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

- 4.1. The principal terms of the proposed lease are:

1. The subjects to be occupied by the Trust extend to 8.89sq.m (95.69sq.ft) or thereby.
2. The proposed lease will be on a monthly basis from a date of entry to be agreed.
3. The rent to be £1.00 per month, if asked.
4. The Trust will meet the full cost of the service charges payable at the Business Centre, which are set with effect from 1 April each year to reflect the actual running costs of the Centre.
5. Local Authority rates will be paid by the tenant.
6. The tenant will be responsible for any repairs to the interior of the leased subjects; the Council will be responsible for any repairs to the common elements of the property, costs of which are recovered via the service charge.
7. The Council will arrange insurance of the building under its own block policy, a share of the premium for the unit being met through the service charge.
8. Permitted use of the property will be as offices and a meeting space in connection with the activities of the Trust as defined in its Memorandum and Articles of Association.

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

- 5.1. There are no personnel implications for the Council.

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

- 6.1. The proposed new lease is to be at a rent of £1.00 per month if asked. The full rental value of the subjects is £956 per annum.

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

- 7.1. The Trust advised that they have made grant applications for various projects, which if successful, would require them to take further space within the Business Centre specifically for the promotion of any projects successfully funded. They have been advised informally that in such cases they would be required to meet the full rental costs as well as service charges for any such proposals.
- 7.2. The proposed lease is to be taken in the Trust's name, and on a monthly basis subject to Notice of Termination on 28 days written notification. Accordingly, any risks in the transaction, such as non-payment of charges/breach of lease obligations, are considered manageable.

**8. Equality Impact Assessment and Consultation Arrangements**

8.1. All the necessary consultations have been undertaken.

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.

**Colin McDowall**  
**Executive Director (Enterprise Resources)**

7 March 2011

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

- Improve the quality of the physical environment
- Improve Community Safety
- Support the local economy by providing the right conditions for growth

**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:-

Ken McLaren, Business Support and Property Information, Regeneration Services

Ext: 5164 (Tel: 01698 455164)

E-mail: [ken.mclaren@southlanarkshire.gov.uk](mailto:ken.mclaren@southlanarkshire.gov.uk)









# Report

6

Report to:	<b>Estates Committee</b>
Date of Meeting:	<b>17 May 2011</b>
Report by:	<b>Executive Director (Enterprise Resources)</b>

Subject:	<b>Sub-Lease to Memex Technology Limited, Redwood Court, Peel Park, East Kilbride</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 (Enterprise Resources), in consultation with the Chair and an ex officio member, to grant a sub-lease to Memex Technology Limited at 2 Redwood Court, Peel Park, East Kilbride

## 2. Recommendation(s)

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

- (1) that the following action taken, in terms of Standing Order No. 36 (c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
  - Approval of a sub-lease for the premises at 2 Redwood Court, Peel Park, East Kilbride to Memex Technology Limited at £74,750 p.a. initially and on the principal terms and conditions detailed in Section 4 of this report.

## 3. Background

- 3.1. Memex Technology Limited require to conclude the lease of the whole of 2 Redwood Court, Peel Park, East Kilbride as a matter of urgency (see Plan attached). They currently occupy the upper floor of this building. However, following a significant increase in workforce, it is essential that they take the whole of the ground floor.
- 3.2. This modern two storey building is used for office accommodation and benefits from on site car parking, reception area and storage. Internally the layout is a combination of open plan and modular offices finished with suspended ceilings, carpeting and wall coverings. There are WC facilities together with small kitchen areas.
- 3.3. Memex Technology Limited have leased the upper floor from the Council for 16 years. The sub-lease is due to expire on the 27<sup>th</sup> February, 2012, at a current rental of £48,000 per annum.
- 3.4. Following negotiations, Memex have agreed to renounce their existing sub-lease and enter into a single new sub-lease for the whole building.

- 3.5. It should be noted that the Council head lease the premises from Strathmore Assets Limited, a private property investment company, and, in turn, the Council sub-lease the premises to Memex. This head lease is due to expire on 29 November 2015 and, as a consequence, this must be the date the sub-lease expires.

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

- 4.1. The key features of the sub-lease are

- 1) Date of entry to be agreed
- 2) The rent paid is to be structured as follows:  
Years 1 and 2, £74,750 per annum,  
Year 3, £91,350 per annum and  
Year 4, £108,000 per annum  
Final year, £124,500 per annum
- 3) The lease will run co-terminus with the Council's head lease
- 4) A rent free period of 6 months is to be granted from the date of entry with a further 3 months from the second anniversary.
- 5) Following completion of car park alterations by the tenant, Memex will receive a rent free period equating to £10,000 to be effective from a date to be agreed between the parties.
- 6) The sub-lease is to be on a full repairing and insuring basis with schedule of conditions.
- 7) The existing sub-lease will be renounced

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

- 5.1. There are no personnel implications.

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

- 6.1. The Council will receive a rental income of £74,750 p.a. rising to £124,500 p.a. over the duration of the sub-lease. The ground floor left accommodation has been vacant for approximately 10 years and the ground floor right for approximately 18 months. This transaction eliminates the Council's costs for holding a vacant property while increasing and securing the level of rental income which the property produces.

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

- 7.1. By leasing the vacant space as well as entering into a longer sub-lease, the Council is securing a future rental stream for the remaining period of the Council's lease. Further, the Council is providing accommodation for additional employees at a competitive cost to the company. Memex have been established for over 20 years and have scored an A (Very Low Risk) on a recent Experian check. Further, given the company's excellent track record as a Council tenant, the financial risk to the Council is minimal.

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

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to the existing policy, function or strategy and, therefore, no impact assessment is required.

- 8.2 All necessary consultations have been undertaken with Council Resources.

**Colin McDowall**  
**Executive Director (Enterprise Resources)**  
21 March 2011

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

- Support the local economy by providing the right conditions for growth, improving skills and employability.

**Previous References**

- Estates Committee 4 May 2010

**List of Background Papers**

- None

**Contact for Further Information**

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

David Goodfellow, Regeneration Services

Ext: 5189 (Tel: 01698 455189)

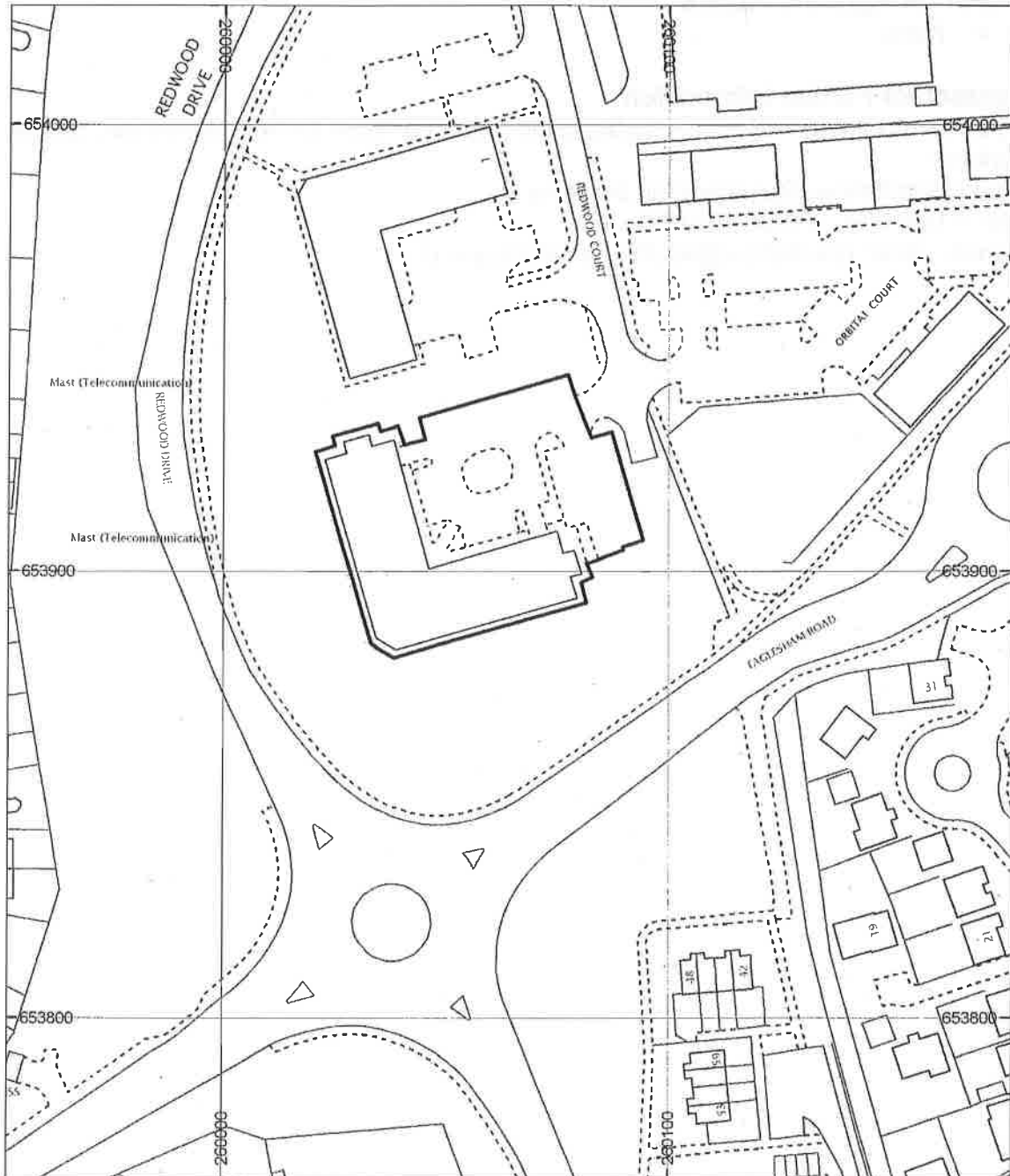
E-mail: [david.goodfellow@southlanarkshire.gov.uk](mailto:david.goodfellow@southlanarkshire.gov.uk)

# LOCATION PLAN - For Committee Purposes Only

Lease to Memex Technology Limited  
2 Redwood Court, East Kilbride



## REGENERATION SERVICES



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DATE: 14/03/2011







# Report

7

Report to:	<b>Estates Committee</b>
Date of Meeting:	<b>17 May 2011</b>
Report by:	<b>Executive Director (Enterprise Resources)</b>

Subject:	<b>Peacock Cross Link Road and Park and Ride – Interim Payment of Compensation to Robert Reid Junior, 12 Wellhall Road, Peacock Cross, Hamilton</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 (Enterprise Resources), in consultation with the Chair and an ex officio member, to make an interim payment of compensation to Robert Reid Junior in respect of the compulsory purchase of property at 12 Wellhall Road, Hamilton, as part of land required for the Peacock Cross Link Road, Hamilton.

## 2. Recommendation(s)

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

- (1) that the following action taken, in terms of Standing Order No. 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
- ◆ approval that the interim compensation payment of £90,000 awarded at the Estates Committee of 7 December 2010 to Robert Reid and Sons be amended to Robert Reid Junior in respect of the purchase of 12 Wellhall Road, Peacock Cross, Hamilton.
  - ◆ authorisation of the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, if appropriate, to conclude all matters and take the appropriate action to conclude the transaction prior to the end of the financial year 2010/2011 with Robert Reid Junior on terms which are in the best interests of the Council.

## 3. Background

3.1. The Estates Committee on 7 December 2010 approved an interim payment of compensation to Robert Reid and Sons in respect of the purchase of 12 Wellhall Road, Hamilton, as part of the Compulsory Purchase Order (CPO) for the Peacock Cross Link Road.

#### **4. Current Position**

- 4.1. During the drafting of the legal documentation to complete the payment of compensation it became clear that the party from which the land had been acquired was Robert Reid Junior and not Robert Reid and Sons. Negotiations with the agent were undertaken on the understanding that the interest to be acquired was in the name of the family business, Robert Reid and Sons. However, the title to the land is held by the individual Robert Reid Junior. It is recommended therefore that the Committee note this change to ensure that compensation is paid to the party from which the land was acquired.
- 4.2. All other details of the Estates Committee report of 7 December 2010 remain as before.
- 4.3. In terms of Standing Order No 17, in view of the title to the land being registered in the name of Robert Reid Jnr and not Robert Reid and Sons, it was considered that there was sufficient basis for the Chair to rule that there had been a material change of circumstances to allow further consideration of the matter.

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

- 5.1. There are no employee implications.

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

- 6.1. The interim compensation payment of £99,000 is contained within existing budgets held by Enterprise Resources.

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

- 7.1. The Council requires to rectify the difference in names to avoid the potential of additional future claims.

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

- 8.1. All necessary consultations have been undertaken with Council Resources.
- 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.

**Colin McDowall**  
**Executive Director (Enterprise Resources)**

11 April 2011

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

- improve the road network and public transport
- improve the quality of the physical environment

#### **Previous References**

- Enterprise Resources Committee – 19 September 2007
- Executive Committee – 31 January 2007
- Estates Committee – 3 June 2008

- Estates Committee – 7 December 2010

**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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# Report

8

Report to: **Estates Committee**  
Date of Meeting: **17 May 2011**  
Report by: **Executive Director (Enterprise Resources)**

Subject: **Disposal of Land at Fernhill Road/Neilvaig Road,  
Fernhill, Rutherglen**

## 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 (Enterprise Resources), in consultation with the Chair and an ex officio member, to deduct the sum of £222,590 from the net sale price of £1,296,612 previously approved by the Estates Committee on 1 March, 2011, for the sale of land at Fernhill Road/Neilvaig Road, Fernhill.

## 2. Recommendation(s)

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

- (1) that the following action taken, in terms of Standing Order No. 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
  - approval to reduce the purchase price of land at Fernhill Road/Neilvaig Road, Fernhill, from £1,296,612 excluding VAT to £1,074,022 excluding VAT to the West of Scotland Housing Association Ltd. (WSHA) due to further abnormal costs being identified in respect of peat removal to enable the construction of the access road.

## 3. Background

3.1. West of Scotland Housing Association Ltd. (WSHA) was selected in consultation with the Scottish Government (Housing Investment Limited), on the basis of their development capacity and regeneration experience to deliver the first phase of 62 new homes in this area of Fernhill. Having successfully completed the first phase, WSHA and their appointed developer will proceed to develop the second phase, constructing 82 new homes for rent and 15 homes for shared equity sale, over four sites at Fernhill Road/Neilvaig Road.

3.2. The Estates Committee at its meeting on 1 March 2011 approved the sale of the four sites, shown on the attached plan and notated 2.1, 2.2, 2.3a and 2.3b, to WSHA for the net price of £1,296,612, being exclusive of £193,388 of original abnormal costs.

## 4. Current position

4.1. Following the Estates Committee meeting on 1 March 2011, WSHA further advised, as a condition of the Roads Construction Consent, an area of peat would have to be removed before the proposed access road to site 2.1 could be constructed. The peat removal had not been anticipated by WSHA and was not accounted for in the original estimate of abnormal costs.

4.2. Following discussion and negotiation with WSHA's contractor, the parties agreed a figure of £222,590 for the additional abnormal costs.

4.3. In terms of Standing Order No 17, and in view of Housing Services having accepted the additional costs are unavoidable and would call into question the scheme's financial viability, it was considered that there was sufficient basis for the Chair to rule that there had been a material change of circumstances to allow further consideration of the matter.

## **5. Employee Implications**

5.1. There are no employee implications in connection with this transaction.

## **6. Financial Implications**

6.1. As a result of site investigations, additional works will require to be undertaken under the terms of the Roads Construction Consent before building can commence. The abnormal costs of these works have been agreed at £222,590, leaving a net purchase price of £1,074,022 excluding VAT which will generate a capital receipt for the Housing Revenue Account.

6.2. The price shall be paid in 2 stages, with £980,022 paid on the date of transfer of sites 2.1, 2.2 and 2.3a and £94,000 paid on the date of transfer of site 2.3b, which cannot be sold until the Council has vacant possession. It should be noted the latter figure may be subject to a further deduction for abnormal costs should adverse ground conditions be revealed as a result of site investigations following the demolition of the building currently located on site 2.3b. This principle was approved by the Estates Committee at its meeting on 1 March 2011.

6.3. Housing Services accept there is a risk involved in meeting the 6 week timescale from vacant possession of the block to transfer of the cleared site, which may result in the Council paying a financial penalty for each week the transfer is delayed. The total deduction yet to be agreed for the abnormal costs and financial penalty, in respect of site 2.3b, will not exceed the £94,000 receipt.

6.4. Each party will be responsible for the payment of their own fees and outlays in connection with the sale of the land.

## **7. Other Implications**

7.1. The areas identified in the report form part of the regeneration strategies any previously agreed by the Council for the Fernhill area and will be used to deliver new housing for rent to meet local need in partnership with the Scottish Government (Housing Investment Division), local housing association partners and private developers.

7.2. The proposed development comprises the regeneration of cleared brownfield sites and meets some of the objectives of the Council's sustainable development strategy.

7.3. The risks in not proceeding with this proposal are that important Council objectives will not be met and the capital receipt will not be available to the Housing Revenue capital programme.



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

- 8.1. Consultation with residents and stakeholder agencies in the Fernhill regeneration area continues on an ongoing basis through Neighbourhood Boards and public meetings, to inform the detailed plans for the area. In addition, there is ongoing consultation with appropriate Council Resources on the regeneration masterplan for Fernhill.
- 8.2. This report does not introduce a new policy function or strategy or recommend a change to existing policy, function or strategy and, therefore, no impact assessment is required.

**Colin McDowall**  
**Executive Director (Enterprise Resources)**

27 April 2011

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

- Improve the quality, access and availability of housing
- Improve the quality of the physical environment
- Tackling disadvantage and deprivation
- Sustainable development

### **Previous References**

- Estates Committee Report 1 March 2011
- Executive Committee Report 28 April 2010.
- Housing and Technical Resources Committee Report 29 September 2010.

### **List of Background Papers**

None

### **Contact for Further Information**

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

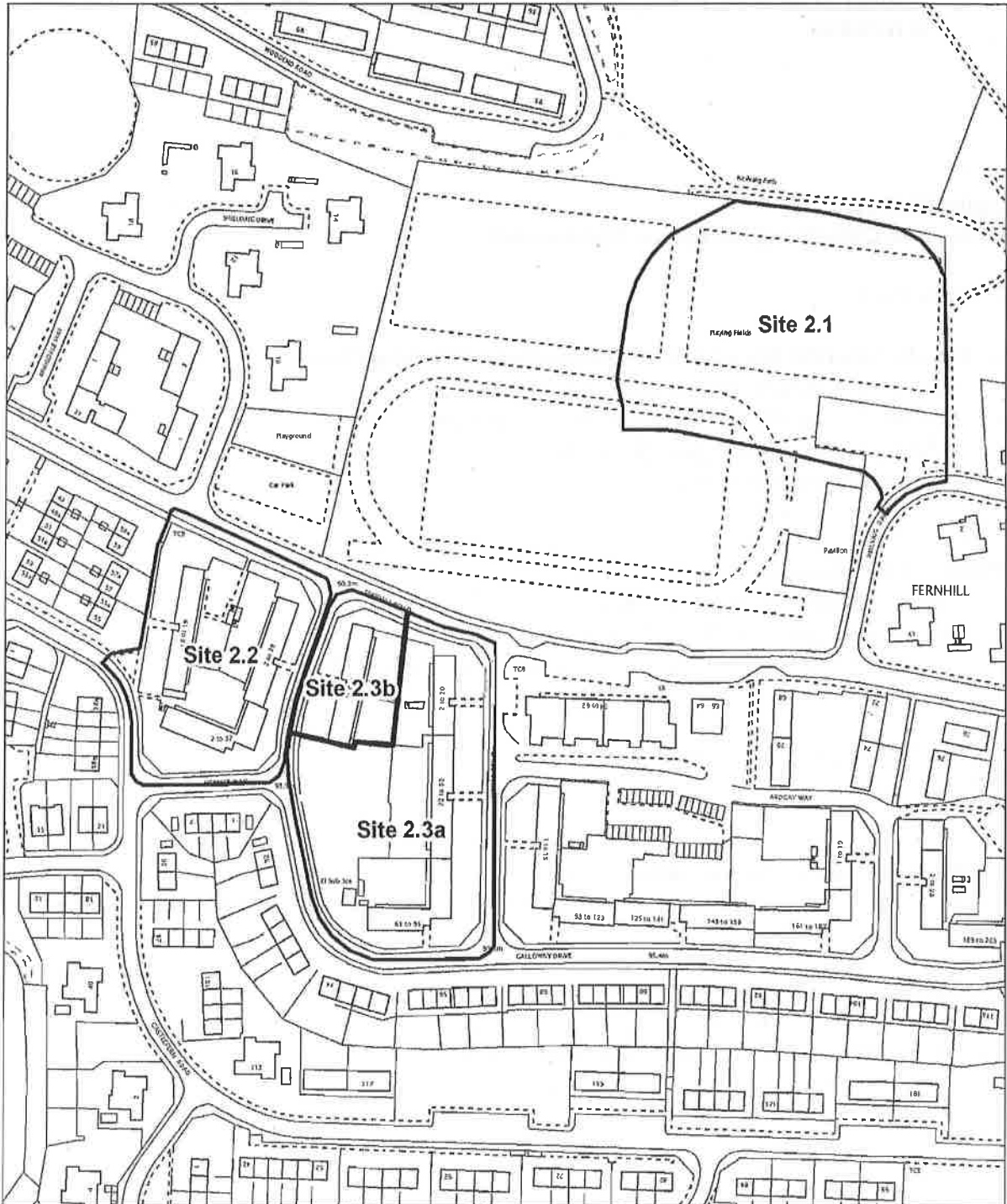
Rachel Clayton, Surveyor, Regeneration Services  
Ext: 5158 (Tel: 01698 455158)  
E-mail: [rachel.clayton@southlanarkshire.gov.uk](mailto:rachel.clayton@southlanarkshire.gov.uk)

# LOCATION PLAN - For Committee purposes only

Fernhill Road/Neilvaig Drive  
Rutherglen



## REGENERATION SERVICES



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DATE: 25/01/2011





# Report

9

Report to:	<b>Estates Committee</b>
Date of Meeting:	<b>17 May 2011</b>
Report by:	<b>Executive Director (Enterprise Resources)</b>

Subject:	<b>Delegated Powers Report - Update</b>
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## 1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ advise Committee of the transactions processed under delegated authority during the period 1<sup>st</sup> October 2010 and 31<sup>st</sup> March 2011 by Regeneration Services along with an annual summary.

## 2 Recommendation(s)

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

- (1) that the details of this report are noted.

## 3 Background

3.1 The Head of Regeneration Services has delegated powers to deal with lease transactions of a value up to £50,000 per annum and a maximum period of 20 years and capital transactions up to a value of £200,000.

3.2 In all cases the delegated reports provide authority to progress transactions with the receipt of any monies occurring at a date in the future, once missives have been concluded and any suspensive conditions met. It should be noted that some transactions may never settle.

## 4 Volume of Transactions – 3<sup>rd</sup> Quarter 2010/11

4.1 Appendix 1, column 1, shows the transactions for the period 1<sup>st</sup> October to 31<sup>st</sup> December 2010.

Total number of transactions this quarter	73
Total value of lease transactions	£228,088
Total value of capital transactions this quarter	£1,032,780

4.2 The majority of lease transactions relate to the granting of new leases (25 out of 42) with the most significant being a new 5 year lease at Langlands Avenue, East Kilbride to Ulma Packaging.

4.3 Of the 9 disposal transactions, 2 were garden ground sales. The most significant sale was to Rosewood Homes, who have concluded missives for the former Welfare Hall, Sandy Rd, Carluke for residential development, subject to planning consent.

## **5 Volume of Transactions – 4th Quarter 2010/11**

5.1 Appendix 1, column 2, shows the transactions for the period 1<sup>st</sup> January 2011 to 31<sup>st</sup> March 2011.

Total number of transactions this quarter	54
Total value of lease transactions	£189,162
Total value of capital transactions this quarter	£521,199

5.2 The majority of lease transactions relate to the granting of new leases (20 out of 35) with three lettings of large units at East Kilbride, Hamilton and Lesmahagow making up the majority of the value.

5.3 Of the 10 disposal transactions, 4 were garden ground sales. The most significant sale was the site at 123 Eaglesham Rd, Jackton which has been acquired for the development of a single house.

## **6. Annual Summary**

6.1 Appendix 2 provides a summary of all the transactions undertaken using delegated powers during 2008/09 through to 2010/11. In respect of the annual figures the value and volume of transactions has risen compared to last year back to similar levels for 2008/09. The increase in rent review values is primarily due to the review for Brandon Gate, Hamilton office accommodation.

## **7 Employee Implications**

7.1 There are no employee implications.

## **8 Financial Implications**

8.1 The rental income to the Council is increased as a result of the new lettings and rent reviews.

8.2 The disposals generate additional capital monies for the Council's Capital Programme.

## **9 Other Implications**

9.1 There is a low risk that the rental and capital receipts identified within these delegated authority reports is not achieved if, for reasons outwith the Council's control, the tenant/purchaser chooses not to proceed with the transactions. However, Regeneration Services has in place procedures and consultations intended to minimise this risk.

## **10 Equality Impact and Consultation Arrangements**

10.1 Consultation takes place with the owning Resource, Planning, Roads and Legal Services as appropriate.

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.

**Colin McDowall**

**Executive Director (Enterprise Resources)**

13 April 2011

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

- Accountable, Effective and Efficient

**Previous References**

- Estates Committee – 1<sup>st</sup> March 2011

**List of Background Papers**

- Plans and Drawings of the property involved in these transactions.

**Contact for Further Information**

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

Joanne Forbes, Manager – Business Support and Property Information

Ext: 5139 (Tel: 01698 455139)

E-mail: [joanne.forbes@southlanarkshire.gov.uk](mailto:joanne.forbes@southlanarkshire.gov.uk)

**DELEGATED POWERS  
LEASE TRANSACTION SUMMARY**

Lease	3rd QUARTER 2010/11		4th QUARTER 2010/11	
	No.	Value	No.	Value
Lease Renewal	5	£36,280	7	£42,950
New Lease	25	£173,858	20	£146,212
Assignment	1	-	3	-
Rent Review	3	£17,950	0	-
Miscellaneous	8	-	5	-
<b>TOTAL</b>	<b>42</b>	<b>£228,088</b>	<b>35</b>	<b>£189,162</b>

**DELEGATED POWERS  
CAPITAL TRANSACTION SUMMARY**

Capital	3rd QUARTER 2010/11		4th QUARTER 2010/11	
	No.	Value	No.	Value
Disposal	9	£313,350	10	£304,803
Compensation	0	-	0	-
Waiver/Servitude	8	£35,150	3	-
Acquisition	14	£684,280	4	£216,396
Miscellaneous	0	-	2	-
<b>TOTAL</b>	<b>31</b>	<b>£1,032,780</b>	<b>19</b>	<b>£521,199</b>



## DELEGATED POWERS

## ANNUAL SUMMARY

## LEASE TRANSACTION SUMMARY

Lease	2010/11		2009/10		2008/09	
	No.	Value	No.	Value	No.	Value
Lease Renewal	49	£294,855	18	£232,818	34	£270,010
New Lease	95	£687,437	75	£488,903	90	£667,163
Assignment	7	-	11	-	12	-
Rent Review	12	£867,100	9	£82,998	13	£275,743
Miscellaneous	18	-	10	-	18	-
Total	181	£1,849,392	123	£804,719	167	£1,212,916

## DELEGATED POWERS

## ANNUAL SUMMARY

## CAPITAL TRANSACTION SUMMARY

Capital	2010/11		2009/10		2008/09	
	No.	Value	No.	Value	No.	Value
Disposal	37	£1,098,473	44	£978,215	50	£1,063,378
Compensation	0	-	1	£12,000	6	£27,700
Waiver/Servitude	20	£49,850	1	£888	13	£76,892
Acquisition	26	£1,158,876	18	£1,167,598	35	£1,526,132
Miscellaneous	14	£48,112	4	-	6	-
Total	97	£2,355,311	68	£2,158,701	110	£2,694,102

