

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	5 October 2022
Report by:	Interim Executive Director (Housing and Technical Resources)

Subject:	1 Kilmory Road, Carluke – Asset Transfer to Carluke Men's Shed
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1. Purpose of Report

1.1 The purpose of the report is to:-

- ♦ advise the Committee of the request for asset transfer, by lease, of the former Wilton Cemetery House, 1 Kilmory Road, Carluke to Carluke Men's Shed and request approval to the principal terms and conditions of asset transfer 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 former Wilton Cemetery House, 1 Kilmory Road, Carluke be leased to Carluke Men's Shed subject to the terms and conditions outlined in Section 5 of the report; and
- (2) that the Interim 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 Wilton Cemetery House, 1 Kilmory Road, Carluke has been vacant since 2016, having previously been used as an office base by a local charity.
- 3.2. Carluke Men's Shed have been seeking a new location for their exclusive occupation as their current premises at High Mill, Carluke is to be the subject of development by Carluke Development Trust. Carluke Mens Shed submitted a request for Community Asset Transfer for 1 Kilmory Road, the validation date for which was 13 July 2022.
- 3.3. The request includes the house and 2 small outbuildings.
- 3.4. In addition to placing the application and supporting documentation on the Council's Planning Portal, notices were placed on the property advising that the Council was considering an asset transfer. The closing date for responses was 11 August 2021 at which time 10 representations were received (9 in support and 1 neutral).

- 3.5. The request was placed before the Community Asset Transfer Assessment Panel on 12 September 2022 when the following matters were taken into consideration.
- 3.6. Property
- 3.6.1. The extent of the property requested, is shown on the attached plan.
- 3.6.2. The Council has a clear and marketable title, however planning consent will be required for change of use at which time any concerns regarding parking and access can be addressed.
- 3.6.3. The property requires repair and it is estimated that £25,000 is required to bring the property up to good condition.
- 3.6.4. The market rental of the property has been assessed as £3,800 per annum by the Council's in-house valuer.
- 3.7. Organisation
- 3.7.1. Carluke Men's Shed is a Scottish Charitable Incorporated Organisation (SCIO), Scottish Charity No. SC049768. The organisation has been established for 2 years.
- 3.7.2. The purpose of the organisation is to provide recreational facilities or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended.
- 3.7.3. The organisation has 25 members, with potential to expand at the new location.
- 3.7.4. Although the organisation has not been operating long, there is a strong Board and programme of activity that can be further developed.
- 3.8. Project
- 3.8.1. The project plans to use the facility as a Men's Shed and primarily as property workshops and meeting space.
- 3.8.2. The organisation has sufficient funds to cover the initial operating costs and repairs therefore is not seeking any external funding support at this time.
- 3.8.3. The business plan submitted in support of the application under-estimates likely future operating costs; however, the organisation has a regular income stream as well as a track record of generating income.
- 4. Assessment**
- 4.1. The property is suitable for the proposed use and the organisation have the capacity to further develop the Men's Shed, delivering support and opportunities to those in the community that can feel isolated.
- 4.2. The community benefits anticipated from the proposal relate to health and wellbeing, education, environmental and recreation.
- 4.3. The Community Asset Transfer Working Group assessed the potential community benefits and recommend that a discount of 71% be applied to the market value to reflect the benefits to the community which would suggest a rent of £1,100 per annum.

4.4. Carluke Men's Shed have offered a rental of £500 per annum and to undertake the repair works estimated at £25,000. This is considered to represent Best Value to the Council.

4.5. The risks associated with the asset transfer are considered low.

5. Proposal

5.1. It is proposed to lease 1 Kilmory Road, Carluke, as shown on the attached plan, to Carluke Men's Shed, on the following principal terms and conditions:-

1. The lease will be to Carluke Mens' Shed
2. The lease will be for a period of 5 years
3. The date of entry to be agreed
4. The rental shall be £500 per annum
5. The lease to be fully repairing and insuring,
6. The tenants will be required to obtain and exhibit as required public liability insurance to the value of £5 million for any one claim.
7. The property will be used in conjunction with the tenant's activities as operators of a 'Men's Shed' within the UK Men's Shed Association.
8. The tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects.
9. Assignment and subletting will not be allowed without the Council's express consent
10. Landlord's consent will be required for any structural alterations to the property
11. Each party to be responsible for their own legal costs however the tenants will require to pay any registration fees and Land & Buildings Transaction Tax (LBTT) if required.
12. The offer of lease will be conditional upon planning consent for change of use

6. Employee Implications

6.1. There are no employee implications for South Lanarkshire Council.

7. Financial Implications

7.1. The property is vacant and the grant of a lease on a full repairing and insuring basis removes the Council's liability for the ongoing maintenance and management of the property.

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. In terms of the Community Empowerment (Scotland) Act 2015 the Council has until 13 January 2023 to provide a notice of its decision whether to agree to or refuse the asset transfer request.

9.2. The organisation has a right to appeal to Scottish Ministers should a decision not be made in that timescale or the asset transfer request be refused.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. Consultation has taken place with the Community, Land Services, Planning, Legal, and Finance Services as well as having been published for public consultation.
- 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.

Annette Finnan

Interim Executive Director (Housing and Technical Resources)

8 September 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent
- ◆ Caring, connected, sustainable communities
- ◆ People live the healthiest lives possible

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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