

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	7 February 2024
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Former Hareleeshill Sports Barn, Donaldson Road, Larkhall – Lease to Rivals School of Martial Arts
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Housing and Technical Resources Committee of the request for a concessionary lease of Hareleeshill Sports Barn, Donaldson Road, Larkhall to Rivals School of Martial Arts; 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 Hareleeshill Sports Barn, Donaldson Road, Larkhall, be leased to Rivals School of Martial Arts, 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 Hareleeshill Sports Barn Donaldson Road, Larkhall were, until recently, managed by South Lanarkshire Leisure and Culture (SLLC).
- 3.2. Following a review of its business plan, the SLLC Board announced that it could not sustain service delivery from this facility and control was returned to the Council.
- 3.3. Rivals School of Martial Arts approached the Council with a request for an annual lease of the subjects to enable the facility to re-open for community participation in sports and participating in martial arts and associated health promotion activities. The lease will enable them to operate the facility whilst testing the viability of a future Community Asset Transfer (CAT).
- 3.4. At this point, this is not a formal CAT request in terms of the Community Empowerment (Scotland) Act 2015, however, the application to lease has been assessed following the established CAT procedure. The Community Asset Transfer Working Group has recommended that that the applicants be granted a 100% rent reduction for the annual lease.

3.5. Property

- 3.5.1. The extent of the property is shown on the attached plan and as there is no change of use or development proposed, planning consent will not be required.
- 3.5.2. The facility has been closed since SLLC withdrew services in March 2023 and there are no other operational requirements for the building.
- 3.5.3. The in-house valuer has placed a rental value of £17,100 per annum.

3.6. Organisation

- 3.6.1. Rivals School of Martial Arts has been in existence for 16 years and was established as a Registered Charity Registration No SCO46518 in April 2016.
- 3.6.2. The purposes of the organisation are “the promotion of community participation in healthy sport (and recreation) for the health, benefit and community development by the provision of premises and facilities for playing and participating in Martial Arts and associated health promoting activities.”
- 3.6.3. Rivals School of Martial Arts works with Active Schools, school partnerships, Routes to Work, Children with Autism and families from disadvantaged backgrounds. In addition, it works with Police Scotland, Scottish Fire and Rescue and other charities and third sector organisations.
- 3.6.4. The organisation has 8 trustees, 8 members of staff and 30 volunteers. The organisation currently operates from 3 other facilities across South and North Lanarkshire.

3.7. Project

- 3.7.1. The proposal is to re-open the facility as a sports facility, community hall and offices then, through its management, develop additional activities which will evidence a sustainable operating model and support a future CAT application. The grant of an annual lease will allow the organisation to assess the viability of the proposal.
- 3.7.2. The organisation has several ideas for the use of the facility and is keen to limit the impact of the hall's closure on local community groups.

4. **Assessment**

- 4.1. Rivals School of Martial Arts has experienced trustees and is successfully operating similar facilities across Lanarkshire. The organisation works closely with other third sector organisations particularly providing support for employability programmes and working with young people with complex needs.
- 4.2. The property is suitable for the proposed use and the organisation has the capacity and funds to manage the facility.
- 4.3. The grant of the annual lease will enable the facility to re-open and relieve the Council of the costs of empty property rates, utility charges, insurance costs and repairs.
- 4.4. The risks associated with the proposed lease are considered low, given both the status of the organisation and that the request is for a year-to-year lease.
- 4.5. The Council has no alternative operational requirement for the subjects. Should the lease prove unsustainable, the Council will have the ability to resume full ownership and consider the future of the property, however, a significant capital receipt could only be generated through a change of designation in the Local Development Plan.

5. Proposal

5.1. It is proposed to lease the subjects at Hareleeshill Sports Barn Donaldson Road, Larkhall to Rivals School of Martial Arts on the following principal terms and conditions:-

1. the lease will be to Rivals School of Martial Arts
2. the lease will be for a period of 1 year
3. the date of entry to be agreed
4. the rental shall be £1 per annum, if asked
5. the lease to be fully repairing and insuring. Neither the tenant nor the landlord will be responsible for any major repair works that may be required to the premises
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 Council will insure the property and recover the costs from the tenants
8. the property will be used as a sports facility, community hall and offices
9. the tenants to be responsible for any rates or property charges resulting from their occupation and use of the subjects
10. assignation and subletting (excluding hourly lets) will not be allowed without the Council's express consent
11. 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

5.2. At the expiry of the lease, the Council will consider renewal of the lease subject to being satisfied as to the operation of the subjects by the Trust and evidence of community benefits.

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 saving in void property costs including empty rates, insurance and utility standing charges and repairs and maintenance, estimated to be £35,000 per annum.

8 Climate Change, Sustainability and Environmental Implications

8.1. There are no issues in relation to climate change, sustainability or the environment contained within this report.

9. Other Implications

9.1. None.

10. Equality Impact Assessment and Consultation Arrangements

10.1. Consultation has taken place with the Community Participation Team, Legal Services and Community and Enterprise Resources.

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)

10 January 2024

Link(s) to Council Values/Priorities/Outcomes

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

Previous References

- ◆ Asset Transfer Application Ref CAT/23/0008

List of Background Papers

- ◆ None

Contact for Further Information

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

Joanne Forbes, Head of Property Services

Ext: 4073 (Tel: 01698 454073)

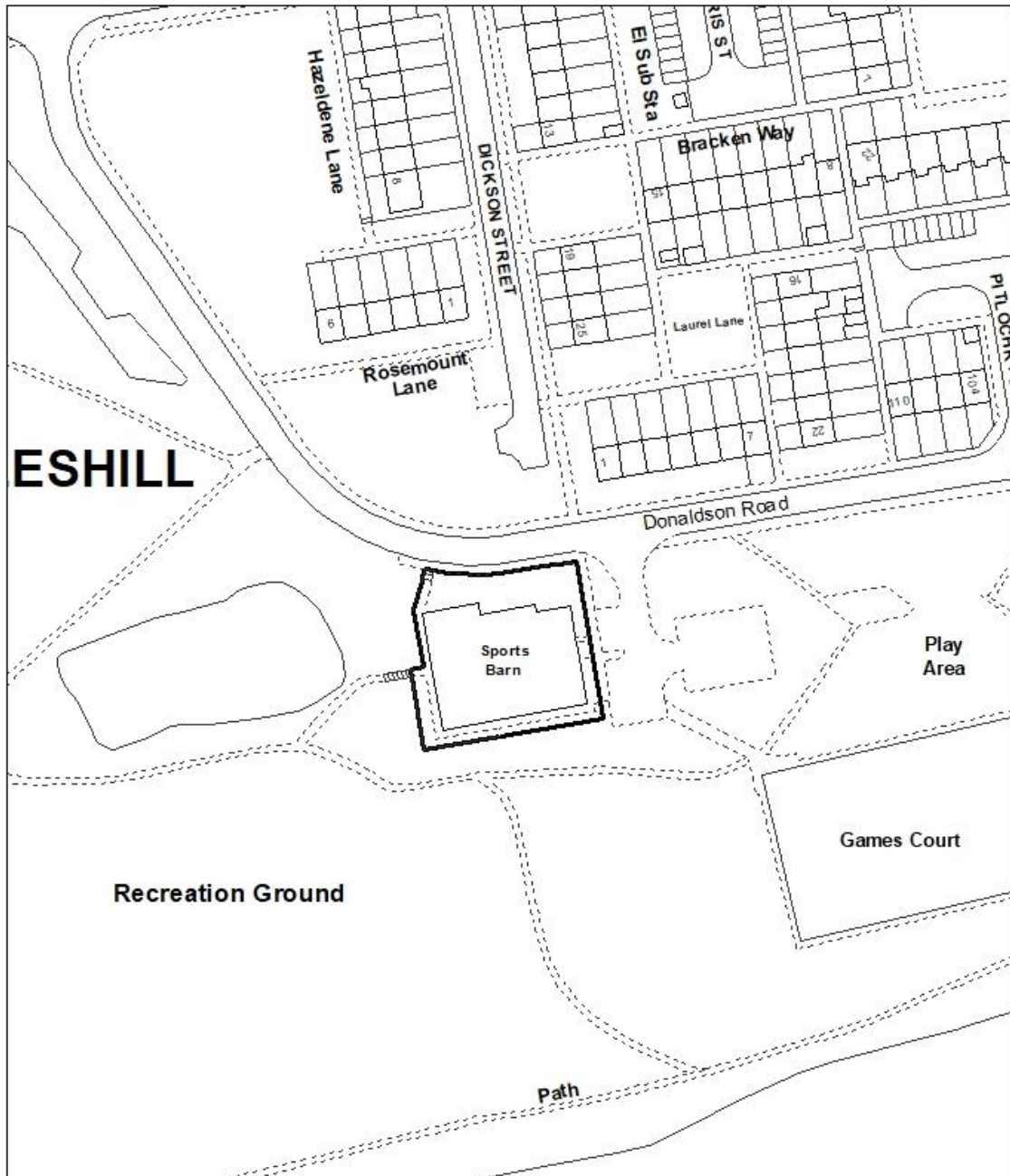
email: joanne.forbes@southlanarkshire.gov.uk

LOCATION PLAN - For Committee Purposes Only

Hareleeshill Sports Barn
Donaldson Road
Larkhall



HOUSING AND TECHNICAL



Ordnance Survey



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Ordnance Survey 100020730.

Area outlined in Black 1427 sqm or thereby

DATE: 06/11/2023