

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	5 May 2021
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Proposed Lease of Ground at Overtoun Park, Rutherglen to Rutherglen Lawn Tennis Club Limited
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Committee of the request by Rutherglen Lawn Tennis Club Ltd for a lease of ground at Overtoun Park, Rutherglen for the construction of indoor courts and a community hub
- ◆ request approval to the principal terms and conditions of the ground lease as set out in Sections 4 and 5 of the report

2. Recommendation(s)

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

- (1) that an area of land at Overtoun Park, Rutherglen be leased to Rutherglen Lawn Tennis Club Ltd subject to the terms and principal conditions outlined in Sections 4 and 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. Rutherglen Lawn Tennis Club Ltd, which will be 100 years old in 2022, already has 7 existing outdoor courts at its facilities in Viewpark Drive and Burnside Road, Rutherglen. With a growing membership, together with a loss of play due to inclement weather and an increased community development programme, it is seeking to develop an indoor facility.
- 3.2. Rutherglen Lawn Tennis Club Ltd identified the site of the former tennis courts within Overtoun Park, Rutherglen as a potentially suitable location and has undertaken considerable consultation in preparation of a request to the Council for a 25-year ground lease at a peppercorn rent.
- 3.3. This is not a community asset transfer request under the Community Empowerment (Scotland) Act 2015, as Rutherglen Lawn Tennis Club Ltd is not an eligible community transfer body as defined in section 77 of the Act.
- 3.4. In considering the request for the concessionary lease, however, the same considerations have been taken into account and are discussed in the later sections of this report.

In the past, the Council has agreed concessionary ground leases to various sports clubs where there are no alcohol sales or commercial activity over and above that required to sustain the facility.

3.5. Property

- 3.5.1. Overtoun Park is owned by the Council and, whilst the exact dimensions of the area of the proposed lease are not yet defined, the intended vicinity is shown on the attached plan. This is the area of the park that formerly accommodated tennis courts and is currently open space.
- 3.5.2. The site is identified in the local plan as being within the general urban area as part of the Green Network and as Priority Greenspace. There is a general presumption against development, however, the provision of tennis courts would generally be considered as an acceptable land use within a park.
- 3.5.3. The proposal will require planning consent. More detail on the design, construction, parking and the operation of the facility will be required before an application can be submitted for formal consideration.
- 3.5.4. The land in the vicinity of Overtoun Park is known to have contamination and the Council does not hold detailed ground surveys or soil reports for the area affected by this proposal. Rutherglen Lawn Tennis Club Ltd will require to undertake its own investigations and obtain specialist advice to demonstrate that its proposals are suitable and there are no contamination issues generated by the development.
- 3.5.5. The Council does not currently carry any significant revenue or capital costs for the site which is managed as part of the larger park.

3.6. Organisation

- 3.6.1. Rutherglen Lawn Tennis Club Ltd is a private company limited by guarantee, Company Number SC544114.
- 3.6.2. The organisation is a not-for-profit organisation and, in the event of dissolution, any assets/ monies cannot be distributed to members, they require to go to another Community Sports Club or charity with a similar purpose.
- 3.6.3. The organisation's objectives are to promote the playing of social and competitive tennis within the community of Burnside and Rutherglen.
- 3.6.4. Rutherglen Lawn Tennis Club Ltd has a substantial membership which has grown from under 100 to 440 in less than 10 years. It has a strong culture of volunteering and has experience in raising funds and managing property, most recently raising £250,000 to invest into the derelict courts at Burnside Bowling Club for which it has also entered into a lease.
- 3.6.5. Although this is a members' organisation, Rutherglen Lawn Tennis Club Ltd estimates over 3,000 people benefit from its facilities through events and activities each year including:-
 - a Coaching Programme which is open to all and includes wheelchair tennis
 - free weekly Junior Aces Club gives children from all backgrounds the chance to enjoy tennis
 - children's Holiday Camps which are open to all
 - a sponsorship deal with McDonald's which provides free tennis to hundreds of children and culminates in an annual schools' tennis festival hosted at the Club

3.7. Project

- 3.7.1. The proposal is for the creation of four tennis courts and two Padel courts under a steel frame structure with a tensioned fabric skin. A spine of converted shipping containers will provide the required accommodation and facilities.
- 3.7.2. The vision is to build a unique covered tennis centre which will provide an all weather home for the club which, combined with the existing club facilities, will enable Rutherglen Lawn Tennis Club to promote, grow and develop the game of tennis in South Lanarkshire.
- 3.7.3. It is intended that the covered courts would also offer facilities for the wider community including:-
- community “pay-as-you-go” use of the courts and limited free slots
 - a community café with free WiFi
 - toilets available for public use
 - Table Tennis, Table Football and Pool
 - community cinema events
 - flexible/ functional spaces available for community use such as dance, fitness, yoga, exercise, art classes etc
- 3.7.4. As part of the process of developing the vision for the facility Rutherglen Lawn Tennis Club Ltd has carried out extensive public consultation. In addition to an online survey which received 679 responses (82% of responders “support fully” the proposal) the Club has also consulted with a range of local community organisations, community councils and the local residents’ association.
- 3.7.5. Parking is a particular concern for local residents and has been highlighted as an issue by Roads and Planning. The Council has been clear that it does not wish to lose any of the park to parking provision and the potential solution, identified by Rutherglen Lawn Tennis Club Ltd, is dependent upon agreement with adjoining facilities for shared use of their existing parking. At this stage, there have been no formal discussions with these third parties.
- 3.7.6. The organisation has not, to date, sought external funding to support the investment in the project.

4. Assessment

- 4.1. Rutherglen Lawn Tennis Club Ltd is a well-established not-for-profit organisation with strong links to the local community. It appears to have the capacity and experience within the organisation to deliver a project of this nature.
- 4.2. The project is ambitious and there is still some considerable way to go in terms of the development of the design and funding for this project, however, it is appreciated that Rutherglen Lawn Tennis Club Ltd cannot pursue the development proposals further without incurring considerable expense.
- 4.3. In order to move on to the next stage of the project, it requires the confidence that the land at Overtoun Park will be available to it for lease.
- 4.4. In order to mitigate against some of the risk associated with the unknown elements of the project, it is proposed that the offer of lease will be conditional upon:-
1. the final location, extents of the lease and development proposals being to the satisfaction of the Executive Director (Community and Enterprise Resources).

2. Rutherglen Lawn Tennis Club Ltd having satisfied itself and the Council that its required use of the leased area is not curtailed by ground contamination issues.
3. planning consent being obtained.
4. any third-party arrangements required in order to secure parking and planning consent being secured for the duration of the lease.
5. funding being secured for the development.
6. a longstop date of 3 years between signing the missives and commencement of the lease.

5. Proposal

5.1. It is proposed to grant a lease of ground in the vicinity of that shown on the attached plan, on the following principal terms, subject to the conditions set out in section 4.4 above;

1. The tenant to be Rutherglen Lawn Tennis Club Ltd.
2. The term to be 25 years.
3. The date of entry to be agreed between the parties.
4. The initial rent to be £1 per annum.
5. The tenants to be responsible for obtaining all necessary statutory consents including Planning and Building Standards.
6. The tenants to obtain all necessary insurances including building and public liability cover.
7. The tenants to be responsible for payment of any rates or other charges resulting from their occupation and use of the subjects.
8. Each party will be responsible for their own Legal expenses. The tenants to be responsible payment of any Land and Building Transactions Tax resulting from the grant of the lease and the costs of registration.
9. The subjects to be used for the development and use of a community Tennis facility, with ancillary support facilities, including a community café, for the provision of covered all weather tennis courts.
10. At expiry of the lease or at lease termination, however determined, the subjects will be left in good and tenantable condition or reinstated to the original condition if required.
11. The landlords will grant all necessary access arrangements for construction and use of the subjects, including temporary access beyond the subjects to provide necessary services and associated installations as part of construction activities, subject to agreed routes and full reinstatement by the tenant.
12. The sale of alcohol is prohibited.
13. The tenants will, as required by the landlord, demonstrate their non-profit making status, local community involvement and participation in the tennis club and allow public access for participants.
14. Assignment in whole or in part is prohibited unless to a similarly constituted tennis club. Subletting of part only of the premises is permitted to sports and community related users subject to prior approval by the landlord not to be unreasonably withheld.

6. Employee Implications

6.1. There are no employee implications.

7. Financial Implications

7.1. The revenue implications of the proposed ground lease are neutral as the Council does not currently have the costs of managing this area of land nor do we receive any rental income from the bowling club.

7.2. The site has no development potential.

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. By agreeing to the principle of the lease agreement the Council is not making any commitment in terms of the statutory Planning process nor obliging other public sector organisations to support their proposal.

9.2. If the lease is not agreed, the Rutherglen area loses the opportunity for investment in a new sports facility and community hub.

10. Equality Impact Assessment and Consultation Arrangements

10.1. Consultation has taken place with Community Resources, Planning, Roads, and Legal Services as well as South Lanarkshire Leisure and Culture. NHS Lanarkshire have also been made aware of the proposal.

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.

Daniel Lowe

Executive Director (Housing and Technical Resources)

16 April 2021

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, effective, efficient and transparent
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

Previous References

None

List of Background Papers

Business Case prepared by Rutherglen Lawn Tennis Club Ltd

<https://www.rutherglenltc.com/wp-content/uploads/2020/11/Rutherglen-LTC-Overtoun-Covered-Courts-Proposal-Documents-Issue-1.0-Full-Proposal.pdf>

Contact for Further Information

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

Frank McCafferty, Head of Property Services

Ext: 4073 (Tel: 01698 454073)

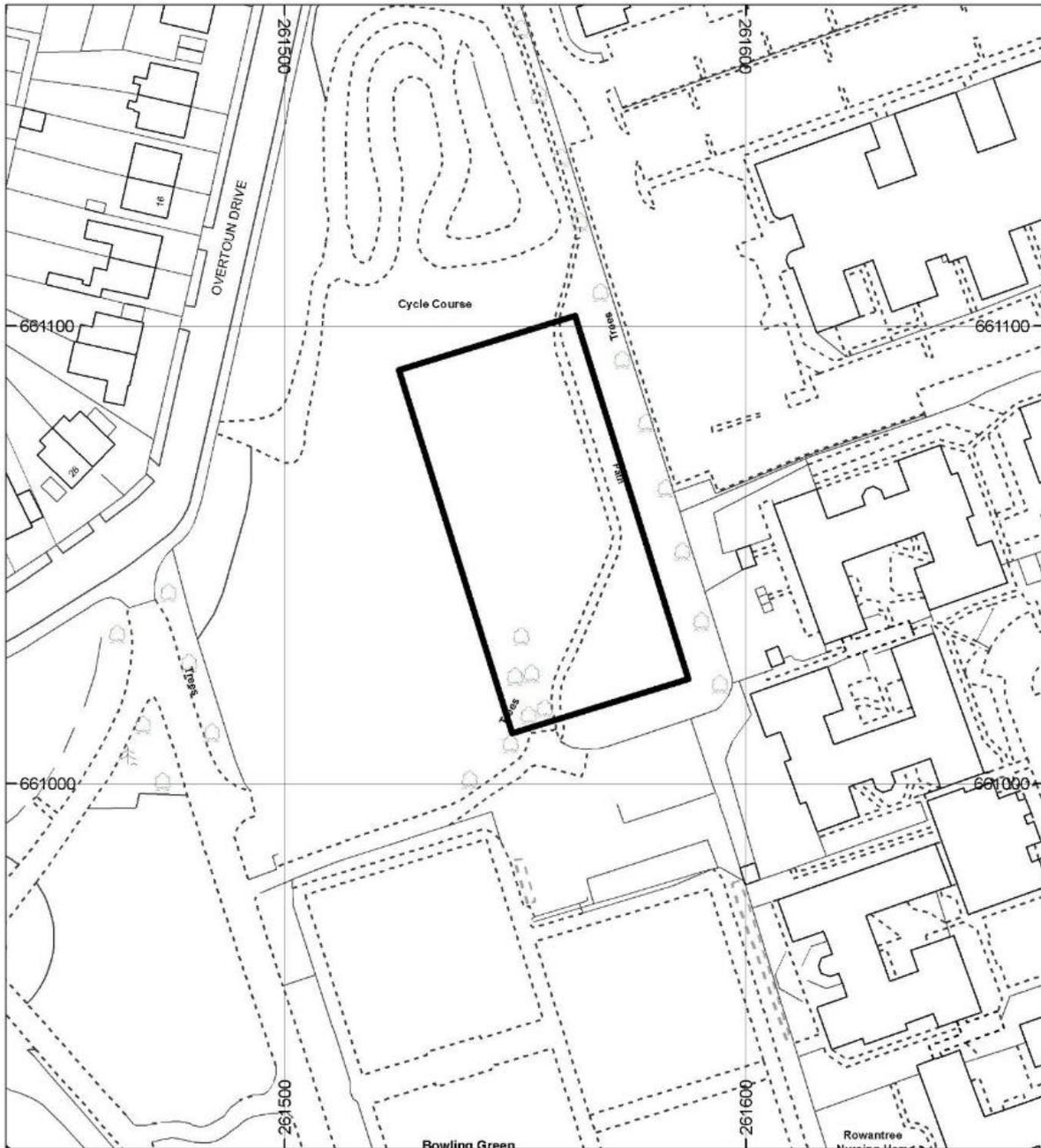
E-mail: frank.mccafferty@southlanarkshire.gov.uk

LOCATION PLAN - For Committee Purposes Only

Proposed Lease to Rutherglen Lawn Tennis Ltd
Overtoun Drive, Rutherglen



PROPERTY SERVICES



Contents outlined in Black 3320 square metres or thereby.