



To: Infrastructure, Land and Environment Policy Board

On: 7 June 2017

Report by: Director of Finance and Resources

Heading: Lease of the Former Janitors cottage at East Fulton Primary School to KLAS CARE

1. Summary

1.1 The purpose of this report is to seek the consent of the Board to extend the existing lease of the Janitors cottage at East Fulton Primary School to KLAS CARE as outlined on the attached plan E2454.

2. Recommendations

2.1 Authorise the Head of Corporate Governance to conclude the lease extension of this former Janitor's cottage on the terms detailed within the body of this report and on such other terms and conditions that may be deemed necessary to protect the Council's interest.

3. Background

3.1. The former Janitor's cottage is located adjacent to East Fulton Primary School, Linwood and can be accessed via Gilmartin Road. The Planning & Property Policy Board at its meeting on the 15 March 2016 authorised the grant of a 15 year lease to KLAS CARE, a after school provider, who currently occupy a classroom within East Fulton Primary.

3.2. KLAS CARE following conclusion of the 15 year lease on 1 January 2017 have continued to work in the background with their plans to bring the former Janitors cottage back into use.

3.3. They have recently approached the Council and advised that they have been successful in securing a place on a programme called "Launch Me" which is Scottish Government and Big Lottery funded, and controlled by Firstport.

- 3.4. They have been offered additional funding of £125,000 however their funders have concerns about the existing length of the 15 year lease and have asked that KLAS CARE seek to extend the lease to a period of 25 years, as this would provide additional security for their investment.
- 3.5. In terms of the existing 15 year lease there was a mutual break option at the end of years 5 and 9, recognising that through time the Council and the company may have alternative proposals. The Board further agreed that should it choose to end the lease prior to the end of year 5, then the Council would compensate KLAS CARE on a sliding scale in terms of their initial £52,000 investment to bring the former Janitors cottage back into use.
- 3.6. The additional funding secured from Launch Me is aimed at young Social Enterprise companies and aimed at assisting those companies to accelerate their growth.
- 3.7. Discussions with KLAS CARE have been positive and officers have provisionally agreed the following:-.

Terms & Conditions

- KLAS CARE have agreed that there can be further mutual break options at the end of years 15 and 20.
- KLAS CARE shall meet the Council's reasonable professional & legal expenses in amending the lease.

Implications of the Report

1. **Financial** – £600 per annum which will increase after year 3 by 10% per annum
2. **HR & Organisational Development** – Not Applicable.
3. **Community Planning** – Not Applicable.
4. **Legal** – Completion of the lease extension by the Head of Corporate Governance
5. **Property/Assets** – As per report.
6. **Information Technology** – Not Applicable
7. **Equality & Human Rights** –
(a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Not Applicable.
9. **Procurement** – Not Applicable.
10. **Risk** – Failure to agree the lease extension could impact on KLAS CARE securing the additional funding from LAUNCH ME.
11. **Privacy Impact** – Not Applicable.

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Renfrewshire
Council

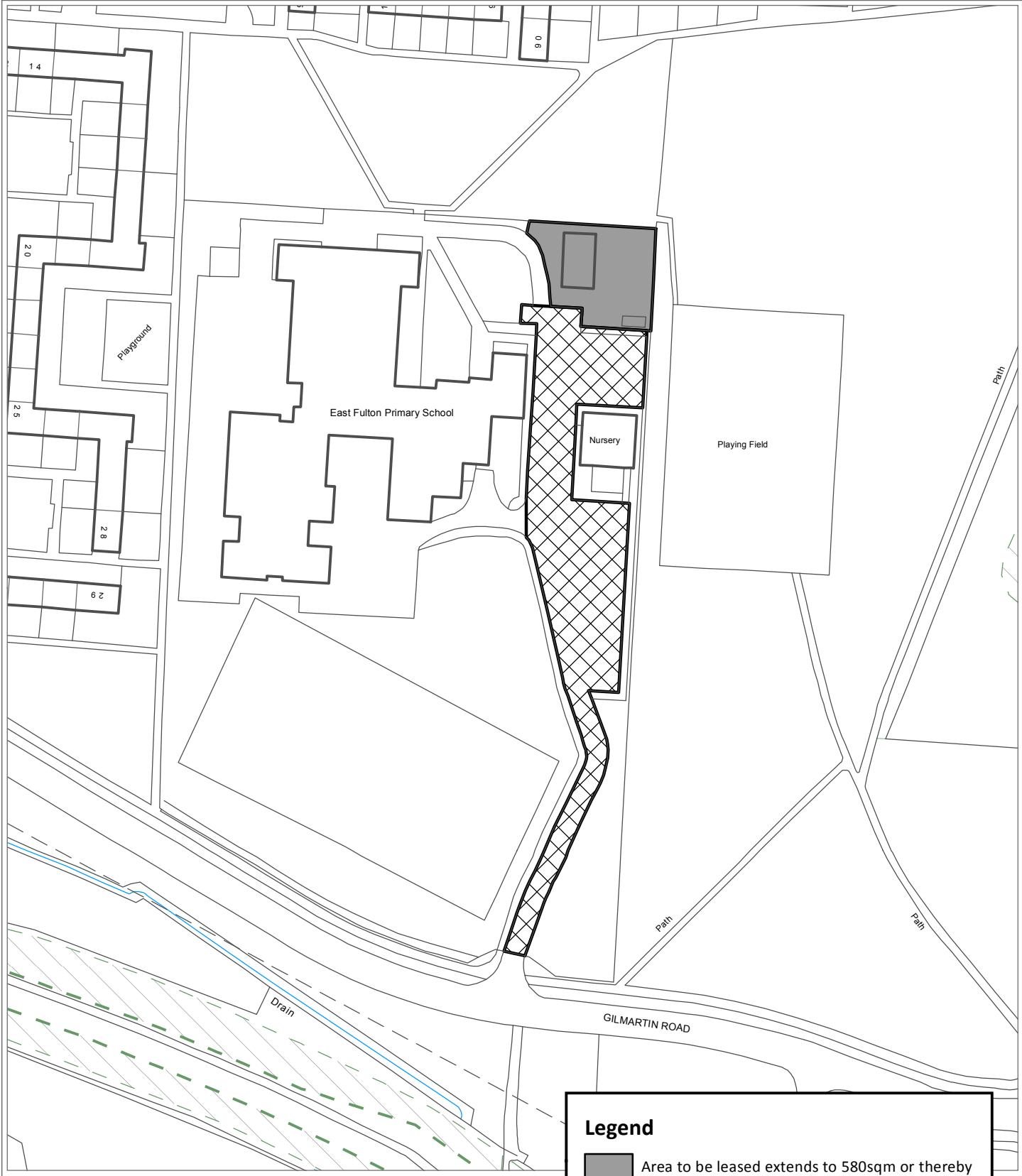
Former Janitor's House, Gilmartin Road, Linwood

Report / Lease Plan Ref. E2454



User: howardhaughj2

Date: 19/02/2016



Notes:

Legend

Area to be leased extends to 580sqm or thereby

Right of access