



To: Housing & Community Safety Policy Board

On: 17th May 2016

Report by: Director of Finance & Resources

Heading: Proposed Disposal of Commercial Property - 12-14 High Street, Johnstone

1. Summary

- 1.1 The purpose of this report is to seek consent to declare the property at 12-14 High Street, Johnstone surplus to requirements, as shown on the attached plan.
 - 1.2 This is to allow the property to be disposed to the existing tenants.
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2. Recommendations

- 2.1 It is requested that the Board declare the commercial property at 12-14 High Street, Johnstone surplus to requirements.
 - 2.2 Note that should the Board declare the property surplus, the property will be sold to the existing tenants, Mr & Mrs Perella, on terms and conditions negotiated by the Head of Property Services and approved by the Planning and Property Policy Board.
 - 2.3 Please note that in accordance with the recent changes to Scottish Ministers' consent when disposing of HRA Assets, this proposed disposal will be under the General Consent available and will be self certified by the Council.
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3. **Background**

- 3.1. The commercial property which is located at 12-14 High Street as shown on the attached plan is currently leased to Mr and Mrs Perella and is used as an Italian Restaurant and Takeaway. The tenants have been in occupation of the property since the 26th of August 1996 when they acquired the rights of the tenancy by way of assignation. The existing lease commenced on the 15th of February 2016 with a passing rent of £12,500 per annum. The property is a double shop unit located within a parade of three shops all of which are currently Council owned and extends to 94 square metres or thereby.
 - 3.2. There are 3 flats above the shops on the High Street at this location with two flats being within the Council's ownership. As there is a shared maintenance responsibility with these flats and the flats on Walkinshaw Street, it is worthwhile noting that of the 11 flats there are 5 that have been sold.
 - 3.3. The tenants have requested to purchase the property and confirmed that they wish to do so to secure their investment and the future operation of the business at this location.
 - 3.4. Although there are no shops sold within this small parade, given that this is a town centre location and the mixed tenure of flats above, while there will be a reduction to revenue income of £12,500 per annum, the capital receipt to be obtained for the HRA account is at a level which can be recommended.
 - 3.5. The Head of Planning and Housing has confirmed there would be no objections to this disposal.
 - 3.6. The tenants approached the Council to acquire the property, and following discussion a provisional agreement of £160,000 has been reached.
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Implications of the Report

1. **Financial** – A capital receipt of £160,000 will be achieved for the Housing Revenue Account.
2. **HR & Organisational Development** – Not Applicable.
3. **Community Planning** –
 - a. **Children and Young People**
 - i. None
 - b. **Community Care, Health & Wellbeing**
 - i. Not Applicable
 - c. **Empowering our Communities**
 - i. Not Applicable

4. **Legal** – Conclusion of Sale
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** – Not Applicable.
11. **Privacy Impact** – Not Applicable.

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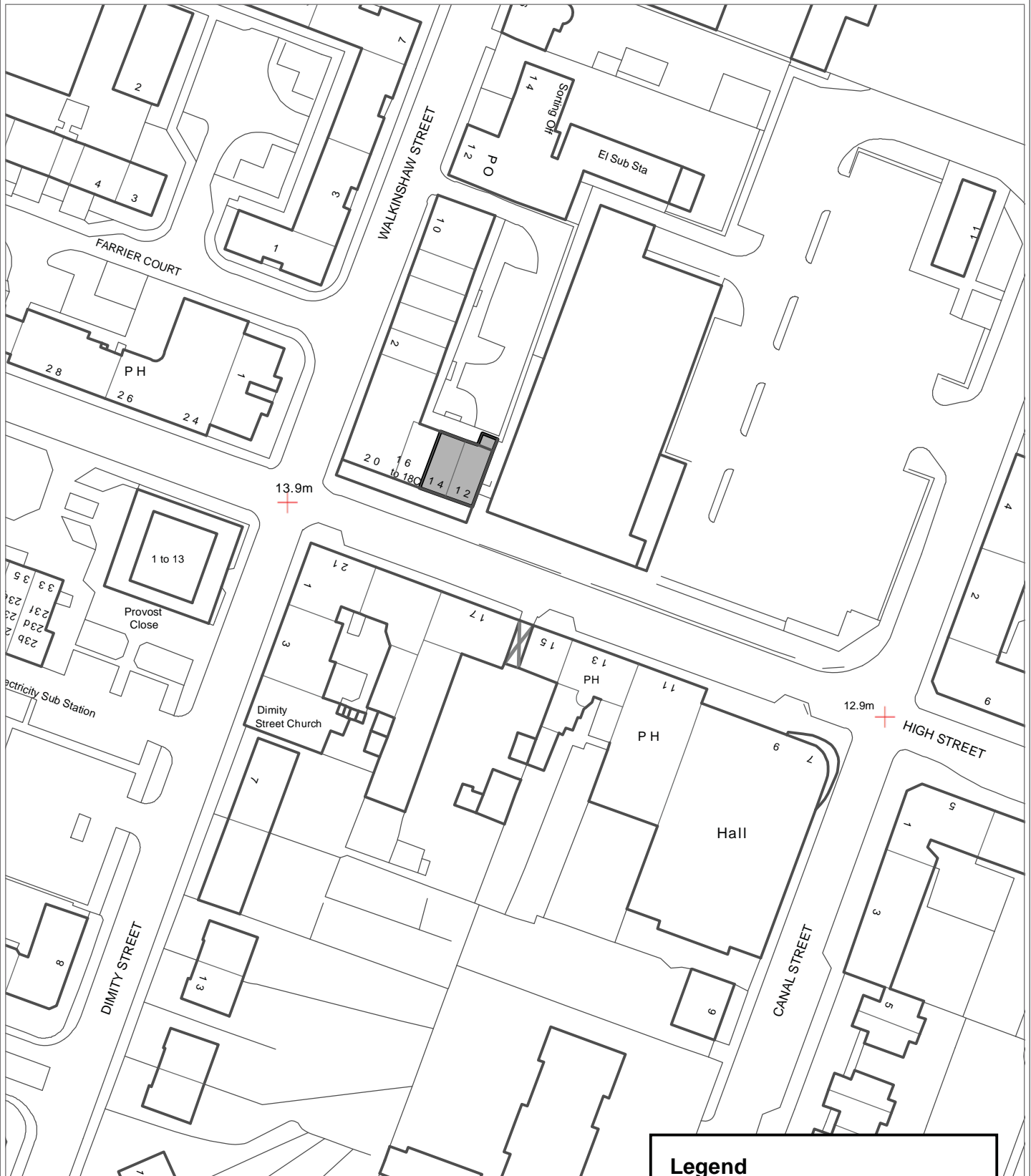
12-14 High Street, Johnstone

Report Plan Ref. E2481




User: howardhaughj2

Date: 25/04/2016



Notes:

Legend

 E2481, Proposed disposal of retail units