

To: Infrastructure Land & Environment Policy Board

On: 8 November 2023

Report by: Chief Executive

Title: Renunciation and New Lease at Erskine Community Sports Centre

1. Summary

- 1.1 The purpose of this report is to seek approval for accepting the renunciation from OneRen of their lease so far as it covers the upper (or first) floor of Erskine Community Sports Centre, and subsequent lease of the area to Erskine Arts.
- 1.2 Erskine Arts are agreeable to the terms set out in the report for their use of the property going forward.

2. Recommendations

- 2.1 It is recommended that the Infrastructure Land & Environment Policy Board:-
 - Approve the acceptance of the partial renunciation of the lease of Erskine Sports Centre by OneRen, in so far as the lease relates to the first or upper floor.
 - Approve a corresponding new lease to Erskine Arts on the terms and conditions contained in this report.
 - Authorise the Head of Economy and Development and the Head of Corporate Governance to conclude the lease with Erskine Arts, on the Council's standard Full Repairing & Insuring lease and on such other terms as required to protect the Council's interest.

3. Background

- 3.1 Erskine Community Sports Centre, Kilpatrick Drive, Erskine is a purpose-built sports centre, comprising two floors, with large high-ceilinged sports hall, reception and changing facilities on the ground floor and a function space with ancillary kitchen, 'multi-purpose room' and toilets on the first floor.
- 3.2 OneRen (formerly RLL) have leased the facility from Renfrewshire Council since 2003 on a term lasting fifty years. They are responsible for all repairs and redecoration and all costs associated with the building including business rates.
- 3.3 Erskine Arts is a cultural charity previously based in Bargarran Community Education Centre who have been hiring space on an hourly basis from OneRen on the first floor of the Sports Centre building since 2021.
- 3.4 Erskine Arts (EA) wish to find a more permanent home and have Scottish Government grant ready to be allocated to them if they can find suitable premises. They wish to lease the entire first floor of the Erskine Sports Centre with a view to becoming more established and provide wider cultural services to the community.
- 3.5 In order for the Council to lease the area to Erskine Arts, it is necessary firstly for OneRen to renounce this area from their existing lease. Their board granted approval for this in 2021. Agreement will also have to be reached with OneRen in respect of the terms relating to access to the upper floor, operational issues for occupation and costs relating to common areas, etc.
- 3.6 If agreement can be reached in respect of the matters in paragraph 3.5, Renfrewshire Council would then lease the upper floor to Erskine Arts for a period of 3 years with either party having the flexibility to consider breaking the lease at the end of each year. The rent would be at concessionary level (£1) initially to allow the EA project to become established and could be extended for a period (up to 2 years) to cover the application period for a community asset transfer (CAT), If the CAT application is not made by EA, or is refused by the Council board, rent could increase to a commercial rate. This would be subject to ongoing discussions with EA.
- 3.7 A service charge regime would be agreed with EA to cover the communal expenses and shared repair obligations. Costs would be applied based on floor area. OneRen would charge Renfrewshire Council who would then recharge to the tenant, Erskine Arts. Should the first floor space become vacant at any time during the period outlined, costs would revert back to Renfrewshire Council.
- 3.8 Erskine Arts are supportive of the terms put forward by the Council in this report for the lease of the property.
- 3.9 A further update report will be brough back to Board 6 months after the date of entry to highlight progress to members and to outline EA's view on a C.A.T application at that time.

4. Proposed Terms and Conditions of New Lease

• **Tenant:** Erskine Arts (SC051042)

• Area: First Floor of Erskine Community Sports Centre

• Rent: Concessionary rent of £1 for the first year.

A further concessionary period up to a maximum of two years will be permitted if a validated Community Asset Transfer application has been made within six months of the date of entry. An appropriate rent will be negotiated with EA should they choose not to pursue a C.A.T application, or if the application is refused.

- **Service Charge**: The tenant will pay a service charge to cover communal building costs based on floor area occupied.
- Term: Three years with mutual annual break options.
- Any other reasonable terms and conditions considered necessary to protect the Council's interest.

Implications of the Report

- 1. **Financial** In the event Erskine Arts move out Renfrewshire Council will be responsible for service charges until a new tenant is found.
- 2. HR & Organisational Development None.
- 3. **Community Planning –** None.
- 4. **Legal –** Formal renunciation from One Ren and subsequent lease to Erskine Arts.
- 5. **Property/Assets –** As per this report.
- 6. Information Technology None.

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 because no groups or individuals have any involvement currently at the property. 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** None.
- 9. **Procurement** Not applicable.

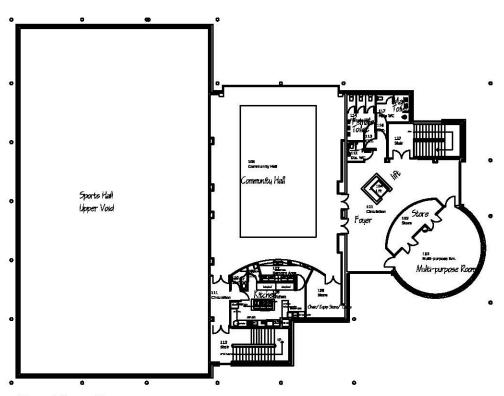
- 10. **Risk** None.
- 11. **Privacy Impact** Not applicable.
- 12. **Cosla Policy Position** Not applicable.

List of Background Papers – None.

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ERSKINE COMMUNITY SPORTS CENTRE



First Floor Plan

