

To: Infrastructure, Land & Environment Policy Board

On: 29th May 2019

Report by: Director of Finance & Resources

Heading: Johnstone Bowling Club – Long Lease Request

1. Summary

1.1 This purpose of this report is to seek approval from the Board for Renfrewshire Leisure to be granted consent to approve a new 21-year sub- lease to Johnstone Bowling Club, for the lease of the club premises located at Park Road, Johnstone as per the attached report plan E2890.

2. **Recommendations**

It is recommended that the Board:-

- 2.1 Provide its' consent to Renfrewshire Leisure for it to grant a new 21- year sub- lease to Johnstone Bowling Club on the terms and conditions detailed within this report.
- 2.2 Authorise the Head of Corporate Governance to provide the Council's consent for Renfrewshire Leisure to conclude the sub- lease with Johnstone Bowling Club, based on the enclosed Heads of Terms and on such other terms as required to protect the Council's interest.
- 2.3 Note this will require a change to the existing lease between Renfrewshire Leisure and the Council to include the basement store and access route indicated on the plan, which will subsequently be sub- let to Johnstone Bowling Club.

3. **Background**

- 3.1 The property located at Park Road is currently leased to Renfrewshire Leisure in terms of a lease interposed by the Council on 1 December 2015, when it transferred management of its Bowling Clubs and other Community facilities to Renfrewshire Leisure. This in turn changed the existing lease to Johnstone Bowling to a 21- year sub- lease agreement which is scheduled to terminate on the 6th of October 2019 as shown on report plan E2890.
- 3.2 The Bowling Club following discussions with both the Council and Renfrewshire Leisure, has requested that a new long sub- lease be granted for Johnstone Bowling Club.
- 3.3 The Bowling club has requested a long sub- lease of 21 years which shall commence on the 7th of October 2019 following the existing sub- lease terminating.
- 3.4 The existing sub- lease states that the Council are responsible for the storage area located on the lower ground floor of the property. This is currently used by Environment & Infrastructure, however it has been agreed that this area will be included in the leased area and shall be the responsibility of Johnstone Bowling Club in terms of the new sub-lease.
- 3.5 The following heads of terms have been provisionally agreed which will form the basis of the sub- lease:

Subject Property: All and whole the subjects known as and forming

Johnstone Bowling Club, Park Road, Johnstone and including the store on the lower ground floor of the building and access road as per the attached plan.

Head Landlord: Renfrewshire Council.

Tenant: Renfrewshire Leisure Ltd.

Sub-tenant: Trustees of Johnstone Bowling Club.

Lease Start: 7th of October 2019.

Lease End: 6th of October 2040.

Rent: £6,000 per annum payable from the date of entry,

payable monthly in advance.

Rent Review:

Rent reviewed every 5 years. The rent shall be increased from the date of review by calculating an average of 15% of the gross bar income for the preceding 5 years. This average amount will be the new annual amount due but shall be no less than the income received at the lease start date or previous rent review.

Repairing Obligation & Maintenance:

- Sub-tenant will take on a Full Repairing and Insuring Lease.
- Sub-tenant is to be responsible for the maintenance of the building including the store on the lower ground level of the building.
- The Sub-tenant will be responsible for maintaining the boundary wall to its current condition. The Head Landlord will cut back the hedge fronting Park Road at the commencement of the Lease.
- The Head Landlord will maintain the grassed areas, trees, verges and hard landscaping and the access path to the park.
- The Head Landlord will carry out grass cutting of the main green three times per week and grass cutting to the top green will be carried out monthly to an open space standard.
- Sub-tenant is to decorate the subject exterior every 5 years and in the last year of the lease.
- Sub-tenant to decorate the interior of the property every 7 years and in the last year of the lease.
- The Head Landlord will maintain the bowling greens to a standard that is suitable for the Head Landlord. The Head Landlord will notify the Sub-tenant of any maintenance issues or defects that arise during routine green maintenance within 7 days and will notify the Sub-tenant of any defects and maintenance works that would impact on the use of the greens within 24 hours and the Sub-tenant is to do the same.
- **Use:** To be used as a Community Bowling Club and for no other purpose whatsoever.
- Legal Cost: Each party will meet their own Professional & Legal costs in concluding the sub- lease, with the sub- tenant responsible for meeting any registration fees and taxes.

Implications of the Report

- 1. **Financial –** Continued rental income of £6,000 per annum.
- HR & Organisational Development None.
- 3. **Community Planning –** None

- 4. **Legal –** Consent for a new 21 year sub lease to be concluded with Johnstone Bowling Club.
- 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

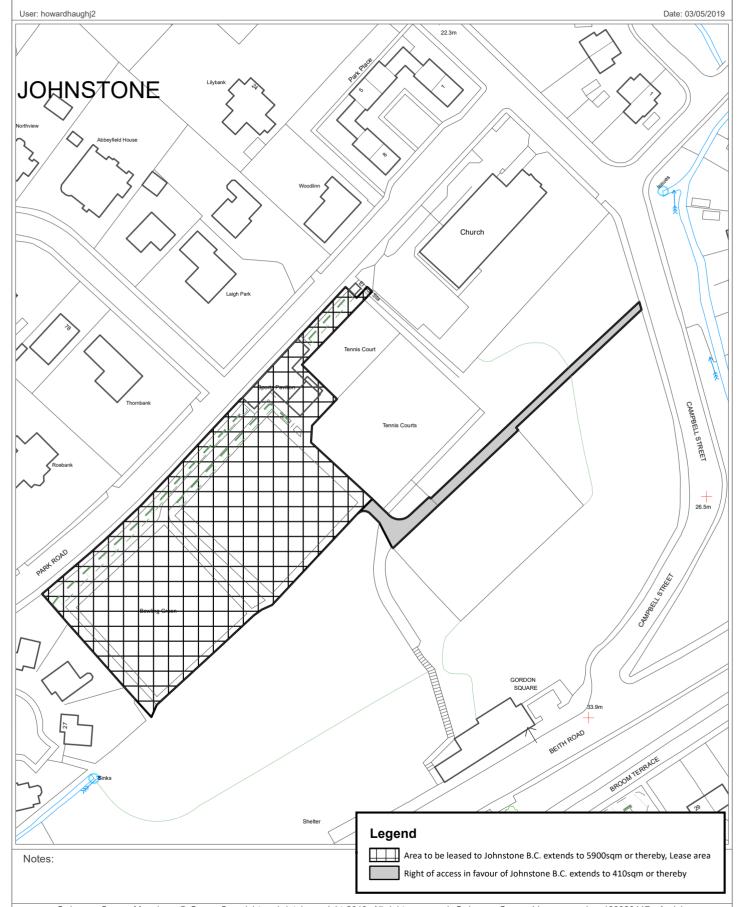
(a) Background Paper 1 – None.

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Johnstone Bowling Club Report Plan Ref. E2890





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