



To: Planning & Property Policy Board

On: 15th of March 2015

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 lease the janitors cottage at East Fulton Primary School to KLAS CARE as outlined on the attached plan E2454.
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2. Recommendations

- 2.1 Declare the former Janitor's cottage and its associated land surplus to requirements which equates to 580 square metres or thereby as indicated on the attached plan E2454.
- 2.2 Note that the lease of the cottage will also include the provision of a right of access which will also be used by users of the primary and nursery school buildings as highlighted on plan E2454.
- 2.3 Authorise the Head of Corporate Governance to conclude the lease 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. It has not been occupied as a Janitor's cottage for a considerable number of years and has fallen into disrepair.
- 3.2. KLAS CARE, an after school provider, who currently occupy a classroom within East Fulton Primary expressed an interest in leasing the former Janitor's cottage. They seek to expand their business and envisage this provides an opportunity to improve the service they offer the Community. KLAS CARE have confirmed that they have the funding in place to proceed with entering into the lease and to undertake the necessary works to repair and improve the property for their proposal. They are receiving this funding from a number of charitable groups along with a social enterprise investment loan.
- 3.3. The Head of Corporate Governance has confirmed there is no title restriction which would prohibit the possible lease of this ground.
- 3.4. The following lease terms have been provisionally agreed which will form the basis of the lease:
 - 1) Renfrewshire Council will lease to KLAS CARE the former Janitors Cottage, situated on Gilmartin Road, Linwood, PA3 3SG as shown on the attached plan E2454.
 - 2) The lease shall be on the Council's standard Full Repairing and Insuring lease and shall endure for a period of 15 years from the date of entry, which date shall be mutually agreed between the parties. There will be mutual break options at the end of 5 years and 9 years.
 - 3) The premises are let in their current condition to KLAS CARE for their proposed use of Out of School Care/Learning Centre and for no other purpose.
 - 4) The premises will initially be leased to KLAS CARE at an annual rent of £1, if asked, for the first year to reflect a rent free period of 1 year to account for the improvement works proposed to bring the property back into a condition suitable for use.
 - 5) Thereafter, from the start of year 2 and for year 3, the rent shall be £600 per annum, payable half yearly advance. Thereafter, the rent will be subject to annual review with a 10% increase each year after the end of Year 3.
 - 6) KLAS CARE shall accept the premises in their existing condition as at the date of entry and thereafter, shall be responsible for all repairs and maintenance required to the subjects of let and for meeting all occupancy costs, utility charges, rates, taxes etc, due to their occupation of the premises.

- 7) KLAS CARE will be responsible for meeting its proportionate share of the maintenance of the communal access road and car park which serves the school, the nursery and the former janitors cottage.
 - 8) KLAS CARE shall insure the building and its contents (including any plate glass and the tenant's fixtures and fittings) with a reputable insurance company to the satisfaction of the Landlord.
 - 9) KLAS CARE shall maintain appropriate public liability insurance cover and shall indemnify the landlord for liability in respect of any injury or damage no matter by whom it is sustained arising directly or indirectly as a result of the repair or condition of or of any alteration to the property or the use of the property.
 - 10) Given the level of investment by KLAS CARE in repairing this property and fitting it out to meet their requirements, should the Council choose to terminate the lease prematurely before the first 5 year break option, which termination is not through any failure by KLAS CARE in terms of the lease, then the Council will be responsible for reimbursing KLAS CARE their initial investment of £52,000. This sum will be reduced each year by 20% until after the end of year 5 at which time there will be no reimbursement due.
 - 11) Each party shall meet their own professional & legal expenses in the granting of this lease, but KLAS CARE shall meet any registration dues or taxes applicable in respect of the lease.
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Implications of the Report

1. **Financial** – Rent of £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 this transaction 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** – *Should the lease not be concluded* this building will continue to fall into dis-repair.
11. **Privacy Impact** – Not Applicable.

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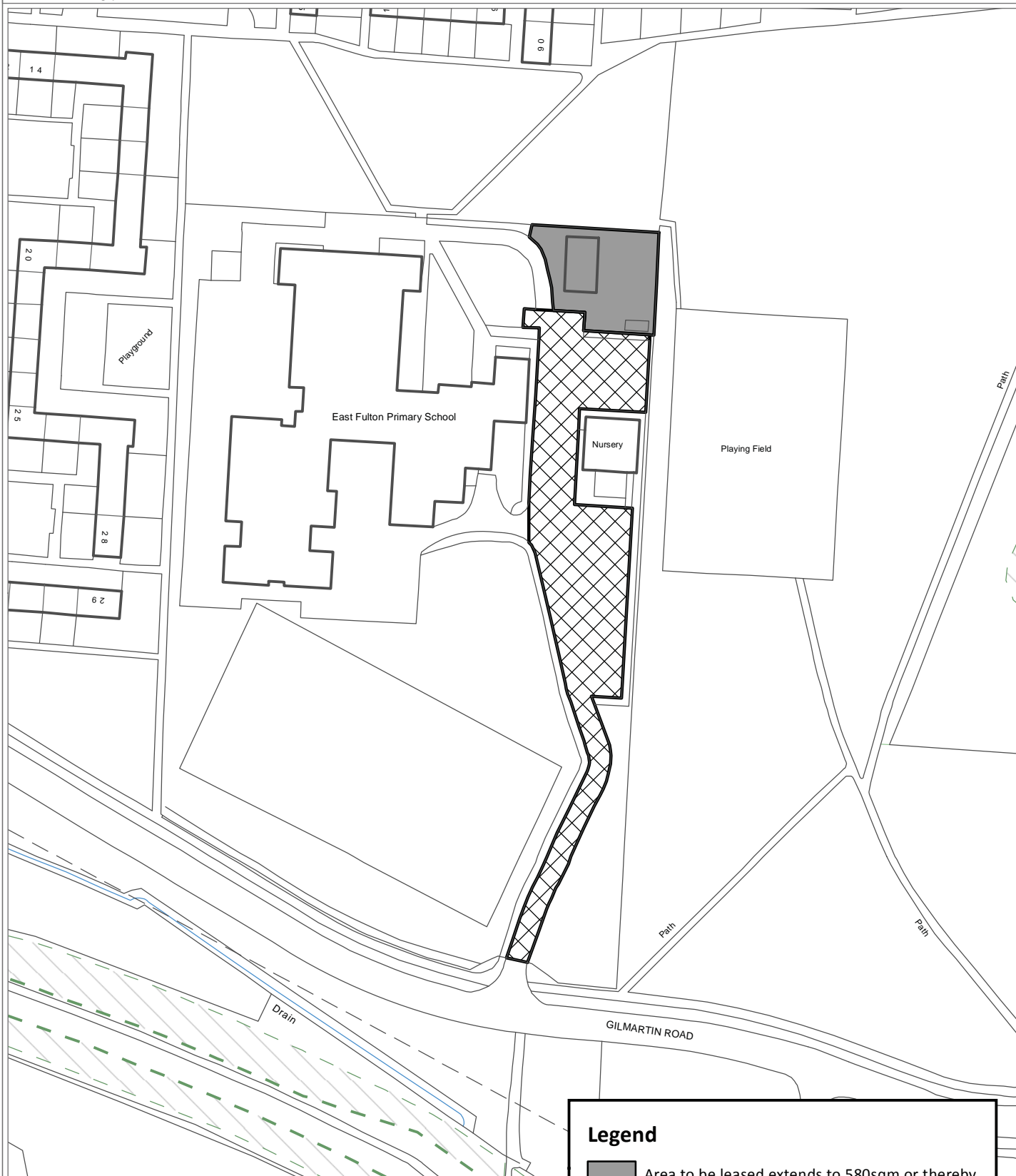
Date: 2/02/2016

Former Janitor's House, Gilmartin Road, Linwood

Report / Lease Plan Ref. E2454

User: howardhaughj2

Date: 19/02/2016



Legend

- Area to be leased extends to 580sqm or thereby
- Right of access

Notes: