

South Ayrshire Council

**Report by Head of Property and Risk
to Leadership Panel
of 13 February 2018**

**Subject: Proposed Lease of Gas Governor Sites at Craigie Way,
Ayr, and Fullarton Drive, Troon**

1. Purpose

- 1.1 The purpose of this report is to seek Leadership Panel Consent to renew the lease for the site at Craigie Way, Ayr and Fullarton Drive, Troon for a period of 30 years.

2. Recommendation

- 2.1 **It is recommended that the Panel grants authority to the Executive Director - Resources, Governance and Organisation to:**

2.1.1 **agree both leases in favour of Scottish Gas Networks for a period of 30 years; and**

2.1.2 **instruct Legal Services to conclude this transaction.**

3. Background

- 3.1 The tenant has an existing Gas Governor on site in Ayr ([Appendix 1](#)) and Troon ([Appendix 2](#)) and has had 30 year leases in place since 1987. The passing rent is £180 per annum in Ayr and £150 per annum in Troon.
- 3.2 Discussions with the tenant revealed that there are no plans to replace the Gas Governors at either site and that they will remain in operation for the foreseeable future. They have requested the renewal of both leases for a period of 30 years.
- 3.3 The original rent at Ayr in 1987 was for £120 per annum increased to £180 over the course of the lease. The original rent at Troon in 1987 was for £54 per annum increased to £150 over the course of the lease.

4. Proposals

- 4.1 It is proposed that Scottish Gas Networks are granted a 30 year lease at both sites at a rent of £500 per annum in Ayr and £350 per annum in Troon with rent reviews taking place every 5 years. The rents per annum reflect the current market rent for sites of this size and location.

5. Legal and Procurement Implications

- 5.1 The recommendations within this report are consistent with legal requirements. Legal Services will be required to draft the new lease and conclude the formal transaction.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 A rental income of £850 per annum to General Services for a minimum of 30 years

7. Human Resources Implications

- 7.1 Not applicable.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

- 8.1.1 There are no risks associated with adopting the recommendations.

8.2 *Risk Implications of Rejecting the Recommendations*

- 8.2.1 Although there are currently no costs associated with the site the Council would not benefit from the rental income.

9. Equalities

- 9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 3](#).

10. Sustainable Development Implications

- 10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to the Council strategic objective of 'Improve the way that we work as a Council' and within that to the outcome 'Land and building assets that are well maintained, fit for purpose and affordable'. It also contributes to the Council strategic objective of 'Working in partnership to maximise the potential of our local economy' and within that to the outcome 'Businesses and social enterprises are supported to set up, thrive and expand'.

13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Peter Henderson, Portfolio Holder for Resources and Performance, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Head of Property and Risk will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Conclude new lease	31 August 2018	Head of Property and Risk

Background Papers None

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Date: 6 February 2018



Gas Governor Site, Craigie Way

Scale 1:1000



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1. Proposal details

Proposal Title Proposed Lease of Gas Governor Sites at Craigie Way, Ayr, and Fullarton Drive, Troon	Lead Officer Donald Gillies
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2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this proposal? Please indicate whether these would be positive or negative impacts

Community, Groups of People or Themes	Negative Impacts	Positive impacts
The whole community of South Ayrshire	No	No
People from different racial groups, ethnic or national origin.	No	No
Women and/ or men (boys and girls)	No	No
People with disabilities	No	No
People from particular age groups for example Older people, children and young people	No	No
Lesbian, gay, bisexual and heterosexual people	No	No
People who are proposing to undergo, are undergoing or have undergone a process to change sex	No	No
Pregnant women and new mothers	No	No
People who are married or in a civil partnership	No	No
People who share a particular religion or belief	No	No
Thematic Groups: Health, Human Rights, Rurality and Deprivation	No	No

3. Do you have evidence or reason to believe that the proposal will support the Council to:

General Duty and other Equality Themes	Level of Negative and/ or Positive Impact (high, medium or low)
Eliminate discrimination and harassment faced by particular communities or groups	-
Promote equality of opportunity between particular communities or groups	-
Foster good relations between particular communities or groups	-
Promote positive attitudes towards different communities or groups	-
Increase participation of particular communities or groups in public life	-
Improve the health and wellbeing of particular communities or groups	-
Promote the human rights of particular communities or groups	-
Tackle deprivation faced by particular communities or groups	-

4. Summary Assessment

Is a full Equality Impact Assessment (EQIA) required? (A full EQIA must be carried out on all high and medium impact proposals)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Rationale for decision: The proposal does not have a significant negative or positive impact on any particular group.	
Signed : Donald Gillies	Head of Service
Date: 26 January 2018	Copy to equalities@south-ayrshire.gov.uk