

# Finance and Resources Committee

10.00am, Thursday, 23 February 2017

## Priestfield Tennis and Sports Association – Proposal for New Lease

Item number	8.4
Report number	
Executive/routine	Routine
Wards	15 - Southside/Newington

### Executive Summary

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The Trustees for the Priestfield Tennis and Sports Association lease the tennis courts and pavilion facilities at Kirkhill Road, which expired on 5 January 2017.

The Council have provisionally agreed Heads of Terms with the Association to renew the lease for a period of 25 years at a market rent of £2,250 per annum.

This report seeks Committee approval to renew the lease on the terms set out in the report.

### Links

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Coalition Pledges	<a href="#">P42</a> , <a href="#">P43</a>
Council Priorities	<a href="#">CP1</a> , <a href="#">CP2</a>
Single Outcome Agreement	<a href="#">SO1</a> , <a href="#">SO2</a> , <a href="#">SO3</a>

## Priestfield Tennis and Sports Association – Proposal for New Lease

### 1. Recommendations

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#### 1.1 That Committee:

- 1.1.1 Approves the grant of a new lease of the tennis courts and pavilion facilities at Kirkhill Road to the Trustees of the Priestfield Tennis and Sports Association (PTSA) on the terms outlined in this report, and on such other terms and conditions to be agreed by the Acting Executive Director of Resources.

### 2. Background

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- 2.1 The Trustees for the PTSA have leased the five tennis courts and pavilion facilities at Kirkhill Road, Edinburgh, extending to 0.809 acres or thereby shown on the plan attached at Appendix 1, for the period 6 January 1996 to 5 January 2017 for a nominal rent of £1 per annum.
- 2.2 The PTSA have requested that the lease is renewed for a period of 25 years to facilitate the application for any required future borrowing and to safeguard the Association's commitment to capital investment.
- 2.3 The PTSA have previously supplied accounts which confirm their investment of £27,000 on the renewal of five court surfaces, the eradication of a dry rot infestation in the clubhouse (pavilion), painting of the clubhouse, new fencing and various other minor repairs.

### 3. Main report

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- 3.1 In order to maximise income from the investment portfolio a minimum rental level will be sought from neighbourhood facilities. The level of this rent is dependent on the nature of the facility and the proposed use. Consequently, the following terms have been provisionally agreed with tenant:
  - Rent: £2,250 per annum;
  - New Lease: 25 years from 6 January 2017;
  - Rent Reviews: Reviewed on each fifth anniversary to open market rental value;

- Use Tennis courts and pavilion;
- Repairs: Full repairing and maintaining obligation; and
- Other Terms: As contained in a standard commercial lease.

#### **4. Measures of success**

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- 4.1 The Council will receive a market rent for the asset.
- 4.2 The asset will be maintained and improved to a higher standard, thus benefitting the local community.

#### **5. Financial impact**

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- 5.1 The proposals will see a rental uplift from £1 per annum to £2,250 per annum, payable to Parks and Greenspace.

#### **6. Risk, policy, compliance and governance impact**

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- 6.1 This is a new lease to the Trustees of the Association who have been a Council tenant since April 1996 and have fulfilled their legal and financial obligation since that time. It is considered that this is little or no impact on Risk, Policy, Compliance or Governance issues.

#### **7. Equalities impact**

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- 7.1 An Equality and Rights Impact Assessment has been carried out.
- 7.2 The letting of the property would ensure the facilities are continually available to the local community and provide a fair revenue to the Council. It will help to provide for Edinburgh's dedication to providing sports and education facilities and help to promote healthy living. This will enhance the right to health, education and learning, standard of living, individual, family and social life, productive and valued activities and participation, influence and voice.
- 7.3 The provision of a new 25 year lease will enhance PTSA's right to legal security and ensure that PTSA can continue to plan both financially and in terms of developing their business. This will allow them to continue to provide a good quality facility for the local community. The tenant will ensure the property is maintained to a high standard and may seek to improve the property if grant funding is secured.
- 7.4 A possible infringement affecting the area of participation, influence and voice and productive and valued activities has been identified by offering a new lease rather than placing the retail premises on the open market. This may have a potential impact on others who may want to lease the facilities. However, given the established nature of the facilities and the effect on the local community if a new lease is not granted, the impact is considered to be proportionate and justifiable.

- 7.5 PTSA are promoting 'Social Tennis' which is aimed specifically at teenagers with a view to getting young people involved in tennis. This also provides a valuable facility for getting young people together to meet socially and spend their time exercising and playing sport. The facilities are also available for all age groups and works towards reducing age discrimination.
- 7.6 The promotion of teenage involvement enhances good relations between different age groups within the community and helps to tackle any prejudice that teenage people may feel in relation to their acceptance into clubs, societies and the general community.

## 8. Sustainability impact

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- 8.1 There are no sustainability issues arising from this report as it is a new lease being proposed for a property that has been in the same use as a leisure facility for many years and is to continue to be in the same use.

## 9. Consultation and engagement

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- 9.1 The Association, Estates, Parks and Greenspace, Culture and Sports and the Local Councillors have been party to the discussions on the proposal.

## 10. Background reading/external references

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- 10.1 N/A.

### Hugh Dunn

Acting Executive Director of Resources

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## 11. Links

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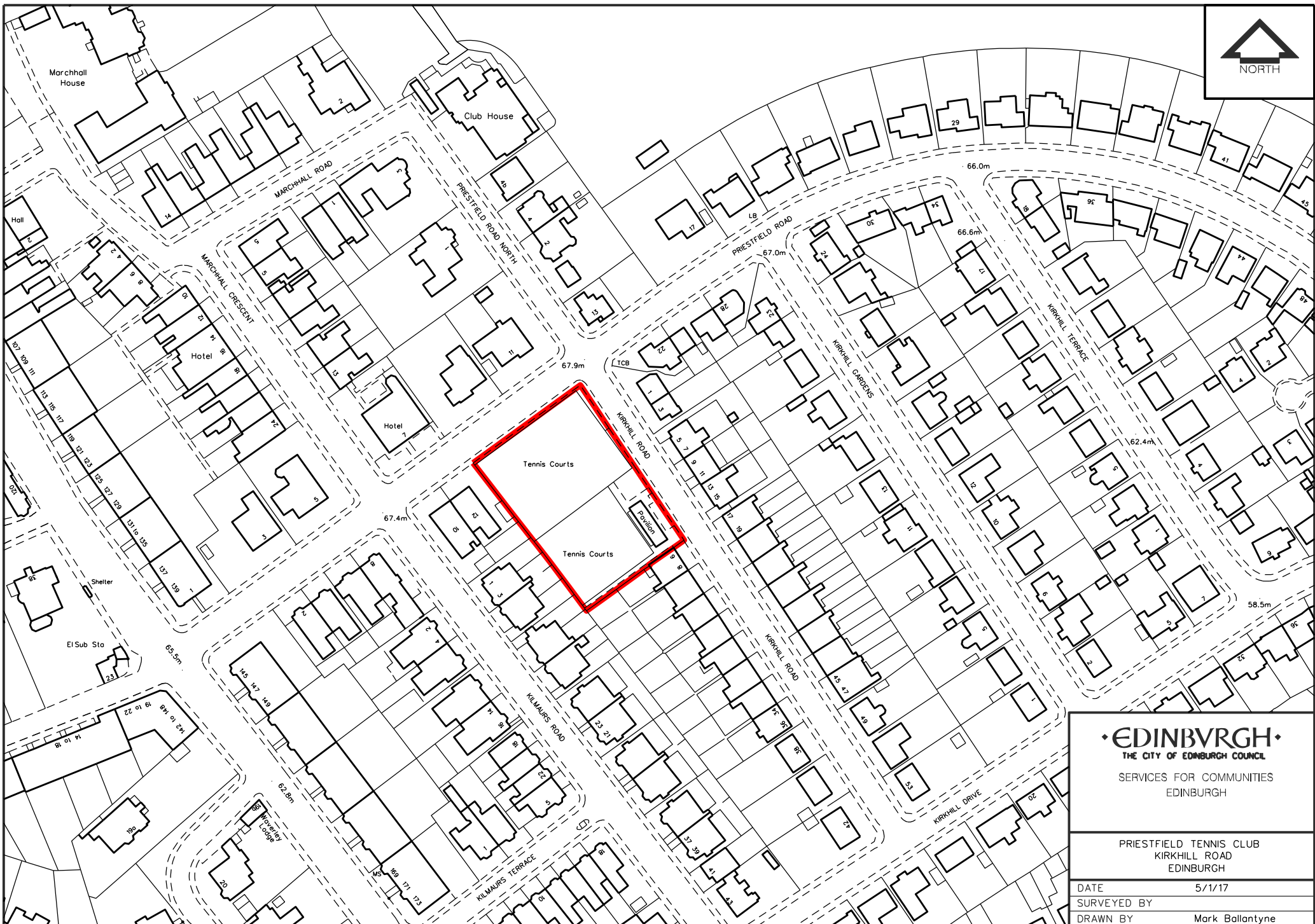
<b>Coalition Pledges</b>	P42 - Continue to support and invest in our sporting infrastructure. P43 - Invest in healthy living and fitness advice for those most in need.
<b>Council Priorities</b>	CP1 - Children and young people fulfil their potential. CP2 - Improved health and wellbeing: reduced inequalities.
<b>Single Outcome Agreement</b>	SO1 - Edinburgh's economy delivers increased investment, jobs and opportunities for all.

SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health.

SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential.

## **Appendices**

Appendix 1 – Location Plan.



LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

• EDINBURGH •  
THE CITY OF EDINBURGH COUNCIL

SERVICES FOR COMMUNITIES  
EDINBURGH

PRIESTFIELD TENNIS CLUB  
KIRKHILL ROAD  
EDINBURGH

DATE 5/1/17

SURVEYED BY

DRAWN BY Mark Ballantyne

SCALE N.T.S.

NEG. NO. A3/1727