

## **Report to Portfolio Holder for Housing, Health and Wellbeing**

**Subject:** New Lease for Gedling Indoor Bowls Club Limited

**Date:** 1 November 2018

**Author:** Service Manager - Property

---

### **Wards Affected**

Carlton Hill

### **Purpose**

To seek approval to grant a new lease to Gedling Indoor Bowls Club Limited ("the Club") to allow them to stay on in occupation at the Richard Herrod Leisure Centre ("the Centre") for one year from 30 July 2018 on the same terms as the current lease arrangement.

### **Key Decision**

This is not a Key Decision

### **Background**

- 1 The Club has occupied space at Richard Herrod Leisure Centre (the Centre), by virtue of various leases that have been granted by the Council, since it opened in 1987.
- 2 In recent years the rent has been increased in line with RPI.
- 3 The current lease expired on 29 July 2018 and the Club has requested that they be granted a new one. The Centre continues to benefit from the arrangement and, as such, the Council wishes to renew the lease. However, due to uncertainty around budgets the Council can only commit to a new lease for a year at a time. The Club accepts this situation.
- 4 The Centre has recently reduced its opening hours to save on running costs. This means that the club will potentially have less use of the Centre than they have had in the past. A reduction has been made in the club's rent to reflect this. The passing rent is £55,260 per annum. The newly proposed rent is £53,712.61 plus VAT per annum.

### **Proposals**

- 5 The club have agreed to the following broad terms:

Term: 1 year with effect from 31 July 2018.

---

Rent : £53,712.61 plus VAT per annum.

All other terms: to remain the same as under the current lease.

### **Alternative Options**

- 6 An alternative option would be for the Centre to operate the bowls area itself. However, it is not thought that this service would be as effective or cost efficient as run by the Club.
- 7 Another alternative would be to let out the area for a different use. However, there are no suitable alternative uses of the bowls area that would generate the current level of income and attendances without significant capital investment.

### **Financial Implications**

- 8 The passing rent was £55,260 plus VAT for the year 30 July 17 to 29 July 2018.
- 9 The newly proposed rental is £53,712.61 plus VAT for the year 30 July 18 to 29 July 2019.

### **Appendices**

- 10 None

### **Background Papers**

- 11 None identified.

### **Recommendations**

#### **THAT:**

- 12 The Portfolio Holder:
  - a) Authorises the Council to enter into a lease with the Club for a period of 12 months effective from 30 July 2018 on the same terms of the current lease but with rent fixed at £53,712.61 plus VAT for the lease term.

### **Reasons for Recommendations**

13 The Club works well in partnership with the Council and has done so since the Centre opened in 1987.

14 Granting the lease for a year is consistent with the Council's budget plans.