



Belfast City Council

Report to:	Parks and Leisure Committee
Subject:	Playgroup Building at Ormeau Park – New Lease
Date:	14 August 2014
Reporting Officer:	Andrew Hassard, Director of Parks and Leisure, Ext. 3400.
Contact Officer:	Cathy Reynolds, Estates Manager, Property and Projects Department, Ext. 3493.

1	Relevant Background Information
1.1	At its meeting on 10 December 2009 the Parks & Leisure Committee agreed to renew a previous Lease to Marion Hunter for the former elderly men’s building, situated at Park Road within Ormeau Park. The building is used for a playgroup facility know as Parkside Playgroup. The lease was for 5 years from 1 July 2009 subject to a rent of £2,940 per annum. This Lease has now expired and the Tenant, Marion Hunter, has sought renewal of the Lease for a further 5 year term from 1 July 2014.

2	Key Issues
2.1	Negotiations with the Tenant have resulted in agreement to a new 5 year lease commencing on 1 July 2014 at an increased rent of £3,880 per annum. Under this agreement the Council would be responsible for internal and external repairs although would not be obligated to put the Premises in any better standard of repair than at lease commencement. The Tenant would remain responsible for insurance and other outgoings such as rates, utility bills etc.
2.2	The extent of the premises to be leased remains the same as in the previous lease and is shown outlined red on the map, with access to the Premises over the path shown shaded blue and the right to place a storage container at the location shaded green (see Appendix 1).
2.3	The playgroup brings social benefits to the locality through preserving a sustainable use on the site which is compatible with and encourages greater use of the adjoining park.

3	Resource Implications
3.1	<p><u>Financial</u></p> <ul style="list-style-type: none"> - A yearly rent of £3,880 from 1 July 2014 would become payable on completion of the new lease between the Council and Marion Hunter. - Tenant will continue to be responsible for buildings and contents insurance along with appropriate insurance cover in respect of the use of the premises. - The Council will be responsible for internal and external repairs; however will not be obligated to put the Premises in any better standard of repair than at lease commencement. The Council will also be responsible for maintenance of the grassed area outside the playgroup building.
3.2	<p><u>Human Resources</u></p> <ul style="list-style-type: none"> - Legal Services and Estates Management Resources required during lease finalisation.
3.3	<p><u>Asset and Other Implications</u></p> <ul style="list-style-type: none"> - The tenant is likely to have protection under the Business Tenancies (NI) Order 1996. However this would not diminish the Council's ability to recover possession for Council purposes or redevelopment should such be required at the end of the lease term.

4	Equality and Good Relations Considerations
4.1	There are no equality or good relations issues associated with this report.

5	Recommendations
5.1	Committee is recommended to approve renewal of the lease between the Council and Marion Hunter from 1 July 2014 for a further 5 year term at a rent of £3,880 per annum, subject to approval of the Strategic Policy and Resources Committee in accordance with Standing Orders and incorporation of appropriate terms in a legal agreement to be prepared by the Town Solicitor.

6	Decision Tracking
The Director of Parks and Leisure to liaise with the Director of Property and Projects with a view to bringing this matter to the next available meeting of the Strategic Policy and Resources Committee.	

7	Key to Abbreviations
None	

8	Documents Attached
Appendix 1 – Map showing outlined red lands to be included in the proposed new lease. Land shaded blue is the path which the Tenant will be granted access over to enter the Premises. The Tenant will also have the right to place a storage container on the area shaded green.	