



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Asset Management: (i) Waterworks – Licence Agreement (ii) Shaftesbury Recreation Centre – Rent Review (iii) Smithfield Market – Lettings
Date:	23 January 2015
Reporting Officer:	Gerry Millar – Director of Property & Projects Department, ext 6217
Contact Officer:	Cathy Reynolds – Estates Manager, Property & Projects Department, ext 3493

1	Relevant Background Information
1.1	(i) Waterworks – Licence Agreement At its meeting on 15 January 2015, the Parks and Leisure Committee received a report outlining proposals by Grow (a charity registered with HMRC) the organisation which operates the Waterworks Community Garden, to carry out minor site works within the Community Garden. There will be a verbal update at Committee to advise on the outcome of the Parks and Leisure Committee meeting. The proposed site works include installation of drainage, paths, seating and a tree survey. The works are to be carried out by Grow's contractor(s).
1.2	(ii) Shaftesbury Recreation Centre – Rent Review At its meeting on 16 January 2008 Development Committee agreed to lease Shaftesbury Recreation Centre to Lower Ormeau Residents Action Group (LORAG) for 25 years from 3 February 2009 subject to an annual rent of £18,275 per annum reviewable every 5 years.
1.3	(iii) Smithfield Market – Lettings Functional responsibility for dealing with property related issues in relation to the letting of units at Smithfield Market rests with the Director of Property and Projects, approval of the letting terms for the units are to be undertaken by him, on the basis that the terms are reported retrospectively to the Strategic Policy and Resources Committee.

2	Key Issues
2.1	(i) Waterworks – Licence Agreement Because the works are to be carried out by a third party's contractor(s) they require to be regulated by a legal arrangement (a licence agreement) between the Council and Grow. The Licence will provide the Council with an opportunity to agree the specification and

	<p>timing of the works and to provide for transfer of any installations to Council ownership once officers are satisfied they have been satisfactorily completed. The Licence will also ensure appropriate insurance etc. is in place for carrying out the works. As the works are for the benefit of the site no Licence Fee would be payable.</p>
2.2	<p>The works are being funded by the NGO Challenge Fund, administered by Northern Ireland Environment Link (NIEL). There are no future maintenance conditions associated with this funding.</p>
2.3	<p>(ii) Shaftesbury Recreation Centre – Rent Review The rent under the Lease fell due for review on 3 February 2014 and the Estate Management Unit have calculated a revised rent of £36,700 per annum which is an uplift in rent that reflects the extension to the building since the Lease commenced. LORAG receive an annual grant net of rent.</p>
2.4	<p>(iii) Smithfield Market – Lettings Committee is asked to note the following letting of units in Smithfield Market as agreed under the delegated authority of the Director of Property and Projects:</p>
2.5	<p>Unit 21 Smithfield Market – Watch and Jewellery Repair and Sales Tenant – Ibrahim Salami 54 Stranmillis Wharf Belfast BT8 5GN</p> <p>Unit size – 235 sq ft</p> <p>Rent £250 per month plus rates</p> <p>Term Tenancy Agreement for six months and monthly thereafter commencing on 24 November 2014</p> <p>Mr Salami previously occupied unit 2 at Smithfield Market and relocated to unit 21 in order to expand his business.</p>
2.6	<p>Unit 20 Smithfield Market – Barber Shop Tenant – Mourad Abrouche 7 Northbrook Gardens Belfast BT9 7EA</p> <p>Unit size – 150 sq ft</p> <p>Rent £165 per month plus rates</p> <p>Term Tenancy Agreement for six months and then month to month thereafter commencing 21st February 2014</p> <p>Mourad Abrouche has occupied unit 20 since 21st February 2014. Previously Mourad occupied the unit with his business partner under a joint tenancy. Mourad has notified the Council that he wishes to take the unit via a single tenancy due to his business partner not wishing to continue.</p>
2.7	<p>Unit 2 Smithfield Market – PC and Phone Repairs Tenant – Brendan Doyle</p>

7 Church Avenue
Kircubbin
Newtownards
BT22 2SL

Unit size – 178 sq ft

Rent £208 per month plus rates

Term Tenancy Agreement for six months and then month to month thereafter commencing 24th December 2014

Brendan Doyle previously worked in unit 5/6 and was familiar with the operations of Smithfield Market.

2.8 Unit 34 Smithfield Market – Sale of Games and Consoles

Tenant – John Meek
14 Hillcrest Crescent
Newtownabbey
BT36 6EF

Unit size 283 sq ft ground floor, 140 sq ft storage area

Rent £420 per month plus rates

Term Tenancy Agreement for six months and then month to month thereafter commencing on 5th January 2015

The tenant previously ran a business alongside his wife on Bedford Street known as the 'The Little Cupcake Cafe' for five years. The business is now closed due to a landlord request to redevelop the building and Mr Meek has opened his new business in Smithfield Market.

2.9 Unit 30/31 Smithfield Market – Sale of Rugs and Flooring

Tenant - Brendan and Ann McLarnon
18 Glenwell Park
Belfast
BT36 7TA

Unit size - 575 sq ft ground floor, 150sq ft storage area

Rent £900 per month plus rates

Term Tenancy Agreement for six months and then month to month thereafter commencing on 1st February 2015

Brendan and Ann McLarnon currently occupy Unit 8, 16 and 32/33 at Smithfield Market and are reputable tenants. In order to expand their business the McLarnons are moving from unit 16 to the larger unit of 30/31. Rent will continue on unit 16 until the end of January 2015. The McLarnons will as of the term commencement on 1st February 2015 be occupying two double units on both sides of the main entrance.

3	Resource Implications
	<p><u>Finance and Assets</u></p> <p>3.1 (i) Waterworks – Licence Agreement</p> <ul style="list-style-type: none"> • The proposed works will be entirely funded by the NGO Challenge Fund. There are no capital costs to the Council. Future maintenance of the completed works will be at the Council’s discretion and any costs associated with this will be covered within existing Parks and Leisure budgets. • Appropriately completed works will enhance the facilities provided within the community garden for the benefit of users. <p>3.2 (ii) Shaftesbury Recreation Centre – Rent Review</p> <ul style="list-style-type: none"> • The rental value of the property for recreational and community use has increased to £36,700 per annum and will become payable from 3 February 2014. LORAG receive an annual grant net of rent. <p>3.3 (iv) Smithfield Market – Lettings</p> <ul style="list-style-type: none"> • Letting of five units. Rental income from the four units £1,943 per month <p>3.5 <u>Human Resources</u></p> <p>Staff resources from the Estate Management Unit, Community Services, Parks and Leisure Department and Legal Services will be required to complete all agreements.</p>

4	Recommendations
	<p>It is recommended that Members agree:</p> <p>4.1 (i) Waterworks – Licence Agreement</p> <p>To approve the grant of a licence agreement, to be prepared by the Town Solicitor, to Grow, at the Waterworks site, to permit the organisation to carry out agreed specified works and for ownership of the completed works to pass to the Council upon their satisfactory completion.</p> <p>4.2 (ii) Shaftesbury Recreation Centre –Rent Review</p> <p>To a revised rent of £36,700 per annum payable from the rent review date of 3 February 2013.</p> <p>4.3 (iii) Smithfield Market – Lettings</p> <p>To note the terms of the lettings as set out above.</p>

5	Key to Abbreviations
5.1	<p>NIEL – Northern Ireland Environment Link</p> <p>LORAG – Lower Ormeau Residents Action Group</p>

6	Documents Attached
6.1	N/A