Item 4

3rd November 2022

Glasgow City Council

Contracts and Property Committee

Report by Executive Director of Neighbourhoods, Regeneration and Sustainability

Contact: George Gillespie Ext: 79106

PROPOSED LETTING OF THE FORMER GOVANHILL NURSERY SITE 335 ALLISON ST, GLASGOW G42 8HH

Purpose of Report:

To seek authority to conclude negotiations for the proposed lease of the former Govanhill Nursery Site at 335 Allison Street, Glasgow, G42 8HH to Little Wonders Nursery Scotland Ltd.

Recommendations:
The Committee is asked to:

1. Note the content of this report.

2. Approve the terms of the proposed lease of the former Govanhill Nursery Site at 335 Allison St, Glasgow G42 8HH as shown on the attached plan and on the terms contained within this report, and

3. Approves the Executive Director of Neighbourhoods, Regeneration & Sustainability in consultation with the Director of Legal and Administration be authorised to conclude all other matters pertaining to the lease and to enter into necessary legal agreements on terms which are in the best interest of the Council.

Ward No(s): 8 – Southside Central Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

***PLEASE NOTE THE FOLLOWING**:*

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1.0 Introduction

1.1 On 13th June 2019, the City Administration Committee approved a new flexible rental policy for childcare providers in respect of early learning childcare.

1.2 This policy is to support the Council's Early Learning and Childcare (ELC) strategy and cooperative working ambitions.

1.3 This report specifically relates to the proposed lease of the former Govanhill Nursery site at 335 Allison St, Glasgow G42 8HH to Little Wonders Nursery Scotland Ltd.

2.0 Background

2.1 The Council owned former Govanhill Nursery at 335 Allison Street comprises a single storey brick building situated on the corner of Allison Street and Cathcart Road as shown on the attached plan. The building extends to 285 sqm and benefits from a secured external play area.

2.2 The property was identified as the preferred location for early learning childcare in Govanhill and following a bidding process conducted by Education Services, Little Wonders Nursery Scotland Ltd. (LWNS) was identified as the preferred bidder to operate and provide early learning and childcare services at the property.

2.3 LWNS was established in 2015 and operate one other nursery service under contract with Glasgow City Council for the delivery of Funded Early Learning and Childcare.

2.4 The existing nursery was inspected by the Care Inspectorate on 29 March 2022 and was graded as "Good" for the Quality of Care and Support, "Good" for the Quality of Environment, "Good" for the Quality of Staffing and "Good" for the Quality of Management and Leadership.

2.5 Lease terms have now been agreed with LWNS for the property and are outlined below.

3.0 Provisionally Agreed Heads of Terms

Property:	Nursery at 335 Allison Street, Glasgow G42 8HH
Landlord:	Glasgow City Council
Tenant:	Little Wonders Nursery Scotland Ltd
Lease Duration:	10 years:
Rent:	£11,250 per annum

Rental Concession:	N/A
Area of Subjects:	285 sq m Gross Internal Area (GIA)
Permitted Use:	Early Learning and Childcare
Rent Review:	Year 5 to Market Value, upwards only basis
Repairs:	Tenant Full Repairing and Insuring (FRI)
Rates:	Payable by Tenant
Utilities:	Payable by Tenant
Alienation:	Assignation or sub-letting will not be possible without the prior written approval of the Landlords, such approval to be granted at the landlords absolute discretion.

4.0 Policy and Resource Implications

Resource Implications:

Financial:	The Scottish Government confirmed on the 1st May 2018 that a capital award totalling £44.130m would be provided to undertake estate related projects in line with the expansion plans. The building being leased cost a total of £ to build and was funded via this Government Capital Award.
Legal:	It is considered that the subjects do not form part of the Council's Common Good. The subjects are not on the list of common good assets. There are no other relevant factors to suggest that the subjects would form part of the common good of the Council.
Personnel:	Legal Services will be required to conclude the lease agreement.
Procurement:	There are no relevant procurement issues.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's	N/A

Equality Outcomes 2021-25? Please specify.	
What are the potential equality impacts as a result of this report?	Positive impact.
Please highlight if the policy/proposal will help address socio-economic disadvantage.	The creation of employment and provision of childcare.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:	No
What are the potential climate impacts as a result of this proposal?	None
Will the proposal contribute to Glasgow's net zero carbon target?	No
Privacy and Data Protection Impacts:	None

5.0 Recommendations

It is recommended that the committee:

1. Note the content of this report.

2. Approve the terms of the proposed lease of the former Govanhill Nursery Site at 335 Allison St, Glasgow G42 8HH as shown on the attached plan and on the terms contained within this report, and

3. Approves the Executive Director of Neighbourhoods, Regeneration & Sustainability in consultation with the Director of Legal and Administration be authorised to conclude all other matters pertaining to the lease and to enter into necessary legal agreements on terms which are in the best interest of the Council.