

Guide to

Finding and Leasing Commercial Premises

from South Ayrshire Council

This booklet has been produced to give guidance on finding suitable business premises available for let from South Ayrshire Council. It also explains the process of making an offer and agreeing a lease.

Introduction

South Ayrshire Council's portfolio includes a range of properties including shops and industrial units located throughout the area. The Council offers a flexible leasing approach to businesses looking for commercial property to rent.

Contact details:

Estates Section
South Ayrshire Council
Newton House
30 Green Street Lane
Ayr, KA8 8BH

Telephone: - 01292 612 914

E-mail: - estates@south-ayrshire.gov.uk

Office hours are: - 8.45am to 4.45pm, Monday to Thursday
8.45am to 4.00pm, Friday.

Independent Professional Advice

This document is for guidance only and should not be considered as a substitute for seeking independent professional advice.

Establishing Your Requirement

Drawing up a list of what you need from your premises is a good way to start your property search. This list may include: -

- Location – proximity to suppliers, transport links, passing trade
- Property type – shop, office, industrial unit
- Size and layout of the premises – office accommodation, production area, number of employees
- Any special requirements - high ceilings, wide doors, floor loading for large equipment, additional electrical supply, security, heating type
- Facilities for employees and customers – toilets and kitchen facilities
- Use of the premises for your type of business – planning permission, landlord restrictions
- Access and parking space – delivery of supplies, public transport for staff

Arranging to view a property

If you would like to view any of our properties, please contact the Council's Estates Section on 01292 612 914. They will arrange a convenient time for you to visit the property during office hours. They will be happy to discuss any questions you may have following a viewing.

Costs related to renting a property

There are a number of factors to consider when assessing the costs related to leasing a property from us and some general costs related to your business. You may want to consult your business advisor or bank for advice on these matters.

Rent - payable to the landlord in advance on a regular basis. Three months rent is payable at the commencement of the lease. VAT is not charged on our commercial properties.

Rates - you will need to know the actual rates payable, not just the rateable value of the property.

Service Charge - tenants of some premises will have to pay a variable service charge for the maintenance and servicing of the common parts associated with the building or range of properties. This charge is payable to South Ayrshire Council as landlord.

Insurance - your property is insured under a common building insurance policy and a premium will be recharged. You must arrange your own insurance for contents, public and third party liability.

Gas, water, electricity, telephone - these costs will vary according to your use of the premises and the time of year.

Statutory requirements - you will be required to ensure your premises comply with relevant legislation. You will have to arrange, at your expense, the servicing and maintenance of gas appliances, electrical installations, fire alarms and emergency lighting amongst others.

General repairs - normally you will be responsible under the terms of the lease for general repairs to items listed in the lease. This may include windows, doors, roller shutters and toilet fittings. The property will also have to be re-decorated at certain regular intervals.

Dilapidations - at the end of your lease, or sooner if you have to leave the property early, you will be responsible for handing the premises back to the Council in a good state of repair as noted in the schedule of condition which will be prepared at the start of the lease. There will be costs related to this.

Other costs associated with your business - these may include your labour, plant, materials and waste disposal.

Legal and other professional fees - these may be payable at commencement, renewal and at the end of the lease. If you decide to rent a property from us, you may be responsible for the Council's surveyor and legal costs in connection with preparing the lease or tenancy.

Advice on availability of assistance offered to businesses can be found on the Business Gateway website: www.bgateway.com/local-offices/ayrshire

Confirming your interest and making an offer

If you are interested in leasing any of our properties, please contact the Council's Estates section to confirm your interest and they will advise you on how to make an offer and can discuss the lease terms available.

Where a closing date for offers has been set, you will have to return the application form in a sealed envelope by the specified closing date.

You will be required to provide the following information: -

Your home address

Company name and registration number

Contact details for 2 parties that have had business dealings with you (suppliers, customers etc) as well as details of your bank or accountant.

This information will assist the Council in its request for a reference. References are required to confirm that you will be able to pay your rent, before the offer can be progressed.

If you are a new business, you should provide a business plan. Help in preparing this can be obtained from Business Gateway: Telephone: 01292 427 363

Website: www.bgateway.com/local-offices/ayrshire

If your offer is successful

If your offer is successful, you will be required to submit supporting documents including proof of address and bank account statements. You will also be required to provide references as mentioned above. On receipt of supporting documents and satisfactory references, you will be sent Heads of Terms, on a "subject to contract" basis. These set out the main terms of your lease/tenancy agreement, and will include the following: -

The size/area of the land or building to be let.

The length of the lease/tenancy agreement. Most new tenants will be granted a monthly or annual lease however, longer term leases may be granted in special circumstances.

The rent payable. This is usually quoted on an annual basis but can be paid monthly on the 28th day of each month or quarterly on the 28th February, 28th May, 28th August and 28th November each year.

Permitted use of the property (the 'User' Clause within the lease). You should check that the intended use of the property is allowed under planning policy by contacting South Ayrshire Council Planning (see useful contact details).

You are welcome to discuss the Heads of Terms with the Estates section, however it is advisable for you to seek independent professional advice at this point from a Solicitor and/or Chartered Surveyor. Following agreement of the Heads of Terms, please confirm your acceptance in writing to the Council's Estates Section.

At this stage, neither side is 'committed'. The agreement remains 'subject to contract' (subject to signing of the lease) and either side can, for whatever reason, withdraw from the deal. On receipt of your written acceptance, the Council's solicitors will prepare the appropriate lease documents.

You will then be asked to sign either: -

1. The lease agreement effective from an agreed date, or
2. A licence to give you early occupation (followed by the lease agreement).

Before you move in

When the lease documents have been signed by you and a representative of the Council, and all fees due to the Council have been paid in full, you will be given the keys to the property.

Useful contact details

South Ayrshire Council Planning

Telephone: 0300 123 0900

Website: www.south-ayrshire.gov.uk/planning-and-building

Building Control

Telephone: 0300 123 0900

Website: www.south-ayrshire.gov.uk/planning-and-building

Business Gateway

Telephone: 01292 427 388

Website: www.bgateway.com/local-offices/ayrshire

Non-Domestic Rates

Telephone: 01292 612 221

Website: www.ayrshire-vjb.gov.uk

RICS (Royal Institution of Chartered Surveyors)

Website: www.rics.org/uk