

# North Lanarkshire Council Report

## Finance and Resources Committee

Agenda item \_\_\_\_\_  approval  noting    Ref DM    Date 29/05/2019

### Edinburgh University Boathouse, Strathclyde Park, Proposed Extension to Lease Term

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#### Executive Summary

The purpose of this report is to seek Finance and Resources Committee approval to extend the previously agreed lease term requested by Edinburgh University to 30 years with an option to lease for a further 30 year period.

This request is in addition to the contents of the Infrastructure Committee report dated 2<sup>nd</sup> May 2018.

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#### Recommendations

It is recommended that the Finance and Resources Committee approves that:

- (1) Increase the lease to an unexpired term of 30 years from the date of commencement with an option to extend for a further 30 years.
- (2) All other terms and conditions to be adjusted by the Head Asset and Procurement Solutions.

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#### Supporting Documents

##### Council business plan to 2020

- Improve economic opportunities outcomes
- Pursue new opportunities to ensure North Lanarkshire is an attractive place for business, investment and growth.
- Improve relationships with communities and the third sector.
- Improve engagement with our communities to maximise involvement and empowerment.

**Appendix 1** - proposed lease area to Edinburgh University.

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## 1. Background

- 1.1 A previous report to the Environmental Services Committee in November 2016 gained approval to allow Edinburgh University to continue to develop its plans for a boat house and to revert to the relevant Committee for approval once detailed designs had been developed.
- 1.2 Edinburgh University entered into a five year agreement with the Council in 2013 which included boat bay rental (£5,000 per annum) and water usage at an annual fixed charge. The annual amount of income previously equated to £10,176 per annum incorporating the use of the West Wing boat bays and water usage for crews.
- 1.3 As previously reported the university has been successful in growing the club and sessions have doubled since 2016 to 4,756 sessions per annum with future growth also anticipated. As a result of this they have outgrown the existing storage facilities which are available at Strathclyde Country Park and as a means of addressing this the University was previously granted consent to develop their own boathouse in Motherwell. This new facility will also provide facilitates for the boat crews.
- 1.4 A market rental valuation for a ground lease to accommodate this new boat house was agreed with the University with the rent starting at £5,000 per annum. This will be subject to review on a 5 yearly basis. In isolation from the rental element, water access and associated costs at Strathclyde Country Park Water Sports Centre will be charged over and above the rental. These costs have been benchmarked and are to be applied across all resident clubs at Strathclyde Country Park to ensure fairness and consistency, the monthly rates for each element are calculated on actual use in line with the following:

<b>Monthly Rate 2019/20 (Estimated)</b>	<b>Net</b>	<b>Usage</b>	<b>Monthly Total</b>	<b>Annual Total</b>
Water Access (per 1000 annual uses)	£207.95	4.5	£935.76	£11,229
Trailer storage in WSC car park	£63.71	1	£63.71	£764.52
			Total Per Annum	£11,993.52

Water usage was measured by the Water Sports Centre reception during 2017 to provide a benchmark usage for each club. A condition of the lease would allow for a resident's club rate assessed periodically with the value to be determined by the Head of Environmental Assets.

- 1.5 It was agreed that Edinburgh University would vacate the West Wing accommodation they currently occupy and it is anticipated that income for that will be replaced by other clubs taking further space.

1.6 The Infrastructure Committee report dated 2<sup>nd</sup> May 2018 stated the terms of agreement with Edinburgh University.

1.7 Following a review of the proposed construction of the building, Edinburgh University have now requested a lease term of 30 years with an option to extend for a further 30 years as it is expected that the life cycle of the building will far exceed the 30 year term originally requested by the University.

## **2. Report**

2.1 Previous agreement has been reached with Edinburgh University as approved on 2<sup>nd</sup> May 2018 on the following basis:

- (i) Tenant: Edinburgh University.
- (ii) Lease Term: 30 years from the date of commencement.
- (iii) Rental: £5,000 per annum.
- (iv) Rent Review: 5 yearly.

2.2 Provisional agreement has been reached with Edinburgh University for the following amendment:

- (i) Lease term 30 years from the date of commencement with an option to extend for a further 30 years.

2.3 All other terms and conditions to be agreed by the Head of Asset & Procurement Solutions.

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## **3. Equality and Diversity**

### **3.1 Fairer Scotland**

There is no requirement to carry out an assessment in this regard.

### **3.2 Equality Impact Assessment**

There is no requirement to carry out an assessment in this regard.

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## **4. Implications**

### **4.1 Financial Impact**

No capital investment in the building is being made by the council. Based on the projections in the EUBC (Edinburgh University Boat Club) business plan the combination of lease and water use charges will result in an increased revenue income to the Council from EUBC and potential additional leases made available within the Watersports centre.

### **4.2 HR/Policy/Legislative Impact**

No HR/Policy/Legislative Impact

4.3 **Environmental Impact**

The detailed design for the boathouse includes an Environmental Strategy that shows standards above the minimum building regulations values for fabric and energy efficiency measures.

4.4 **Risk Impact**

If EUBC Business plan fails to deliver expected increase in athlete numbers and performance and/or EUBC withdraws from their lease other rowing or watersports/sports users would be sought for the building.

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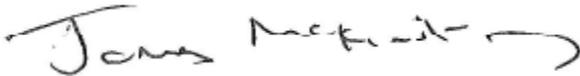
5. **Measures of success**

5.1 Edinburgh University successfully establish a rowing base at Strathclyde Park increasing the profile of the Park as an international sporting destination.

5.2 Increased revenue income as a result of the rental for the site and increased usage by Edinburgh University.

5.3 Local uptake of rowing is increased through EUBC promotion of the sport in conjunction with Scottish Rowing.

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**James McKinstry**  
**Head of Asset & Procurement Solutions**

### LOCATION PLAN - For Information Only

Title: Strathclyde Country Park

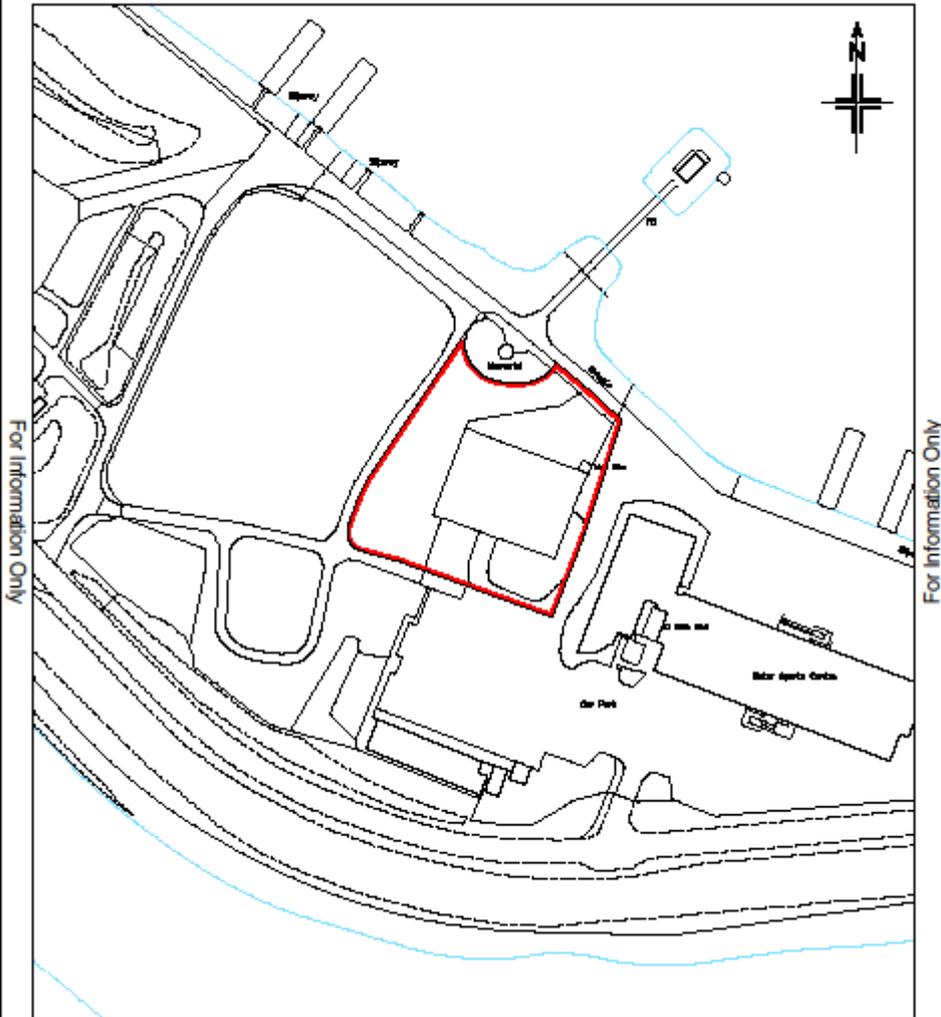
Scale 1:NTS



Town: Motherwell

Date: 06/05/2019

### ENTERPRISE & COMMUNITIES



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