

North Lanarkshire Council Report

Finance and Resources Committee

approval noting

Ref DM/DB

Date 18/09/19

Proposed Sub Station at Barons Road, Motherwell

From James McKinstry, Head of Asset and Procurement Solutions

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Executive Summary

This report concerns a proposal made by SP Distribution PLC for an electrical substation and associated servitude for cables, pedestrian and vehicular rights of access on land at Barons Road, Motherwell.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Agrees to grant a new lease to SP Distribution PLC or their nominees for a substation and associated servitude for cables, pedestrian and vehicular rights of access on land at Barons Road, Motherwell on the terms detailed within this report; and
- (2) All other terms of conditions to be adjusted by the Head of Asset & Procurement Solutions.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (3) Maximise the use of our marketable land and assets through improved development in business and industrial infrastructure

1. Background

- 1.1 SP Distribution PLC has requested a new 99 year lease over ground at Barons Road, Motherwell for the purpose of erecting an electrical substation.
- 1.2 The plan attached at appendix 1 shows the leased area shaded and the associated servitude right of access for cables, pedestrian and vehicular access hatched.

2. Report

2.1 Description

- 2.1.1 The substation is located within an area of amenity land in the Muirhouse residential area in Motherwell as shown on the attached plan.
- 2.1.2 The proposed area to be leased extends to 25 square metres (269 sq ft) or thereby.
- 2.1.3 A servitude right of access for cables, pedestrian and vehicular access to the substation will be taken from Barons Road.

2.2 Lease proposal

A provisional agreement has been reached with SP Distribution PLC on the following terms and conditions:

- 2.2.1 Rent: £50 per annum exclusive of VAT.
 - 2.2.2 Date of Entry: Upon conclusion of missives or as agreed between parties.
 - 2.2.3 Term: 99 years.
 - 2.2.4 Legal Fees: The Tenant will meet both parties reasonably incurred legal costs.
- 2.3 All other terms and conditions to be adjusted by the Head of Asset & Procurement Solutions.

3. Equality and Diversity

3.1 Fairer Scotland Duty

There are no applicable considerations.

3.2 Equality Impact Assessment

The proposals are to enhance the capacity of the electrical network servicing the area therefore there are no further considerations in this regard.

4. Implications

4.1 Financial Impact

The proposed lease provides limited long term income for the Council. The rent agreed with SP Distribution PLC is comparable to other similar substation lease transactions achieved recently.

4.2 HR/Policy/Legislative Impact

There are no specific impacts resulting from this proposal.

4.3 Environmental Impact

The proposal will help to serve the residential and commercial operations within the area and ensure this is on a more secure network.

4.4 Risk Impact

A failure to enter into agreement with the tenant could result in a less robust and secure power network.

5. Measures of success

- 5.1 This transaction will enable SP Distribution PLC to erect a new substation to provide a sustainable long term electrical supply for residents in the Muirhouse area of Motherwell.

6. Supporting documents

- 6.1 Appendix 1 Location Plan.

A handwritten signature in black ink that reads "James McKinstry". The signature is written in a cursive style with a long, sweeping tail on the final letter.

JAMES MCKINSTRY
Head of Asset and Procurement Solutions

Appendix 1 Location Plan

45690

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LOCATION PLAN - For Information Only

Title: Substation at Barons Road

Scale 1:NTS



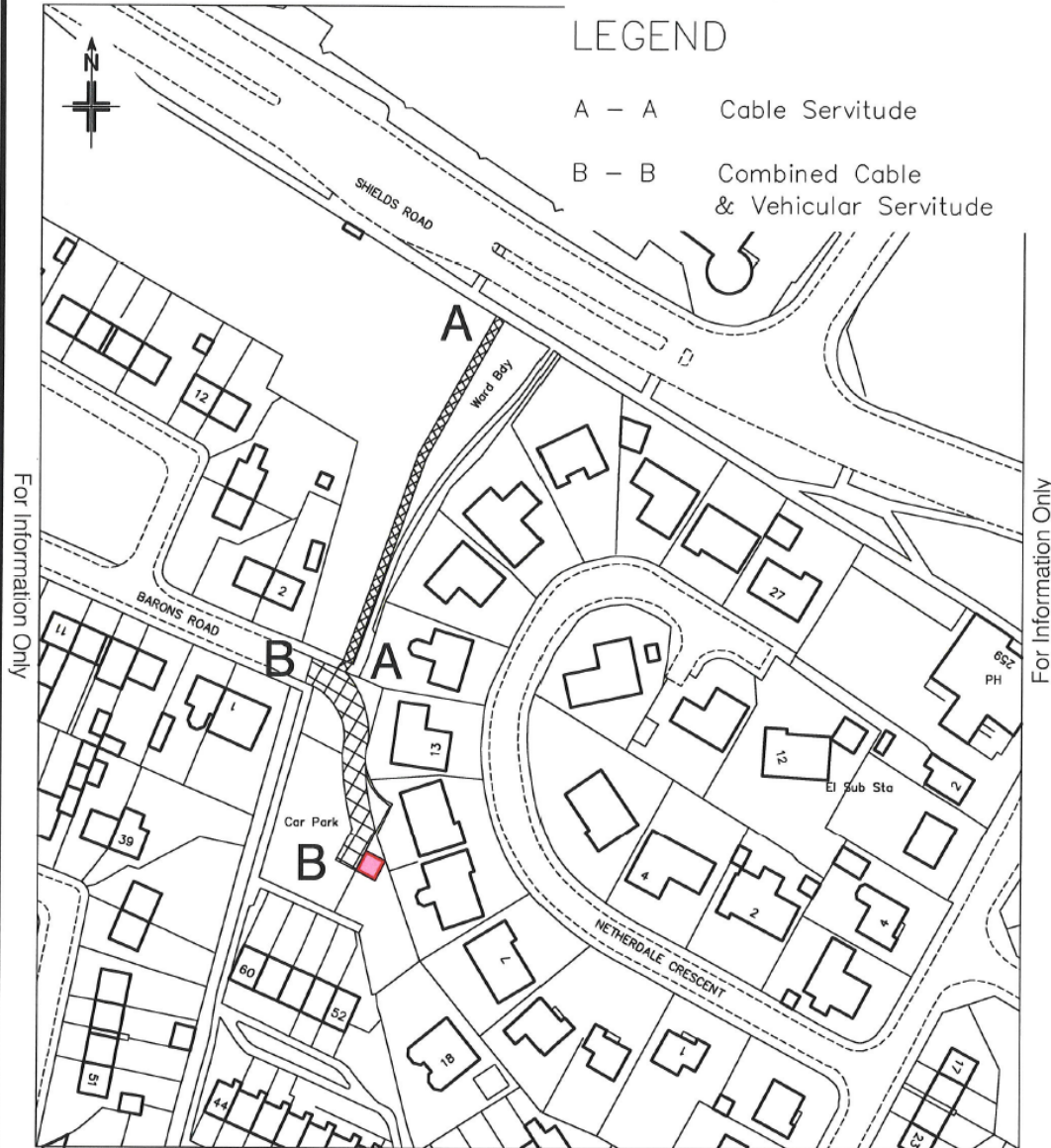
Town: Motherwell

Date: 01/08/2019

ENTERPRISE & COMMUNITIES

LEGEND

- A - A Cable Servitude
- B - B Combined Cable & Vehicular Servitude



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