

# Finance and Resources Committee

10.00am, Thursday, 12 August 2021

## Granton Station, Granton Waterfront, Edinburgh – Proposed Lease

Executive/routine	Executive
Wards	Ward 4 - Forth
Council Commitments	<a href="#">1</a> , <a href="#">2</a> , <a href="#">10</a> , <a href="#">11</a>

### 1. Recommendations

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- 1.1 It is recommended that Finance and Resources Committee:
  - 1.1.1 approves a 25-year lease of Granton Station to Wasps Ltd on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

**Paul Lawrence**

Executive Director of Place

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# Report

## Granton Station, Granton Waterfront, Edinburgh – Proposed Lease

### 2. Executive Summary

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- 2.1 The former Granton Station is currently being refurbished to bring the historic building back into use as an enterprise hub together with derelict land, in front of the building, being developed into a high-quality public square. It is anticipated that works will complete in early 2022. This report seeks approval to lease the building, on completion of the works, to Wasps Ltd, on the terms and conditions outlined in the report.

### 3. Background

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- 3.1 Granton Station is a 1900s B-listed former railway station located at 10 Waterfront Broadway in the Granton neighbourhood of Edinburgh. The station closed in 1942 and the building has been largely disused since that time and is currently in poor condition.
- 3.2 The Council acquired Granton Station, in 2018, as part of a larger strategic acquisition of the Forthquarter portfolio from National Grid Property.
- 3.3 On [4 March 2021](#), Finance and Resources Committee approved the award of a contract in respect of the 'Granton Station refurbishment' for a cost of up to £4.75m to Kier Construction Limited utilising the SCAPE Minor Works Framework.
- 3.4 A tenant who meets the aims and aspirations of the Granton Waterfront Development Framework approved at Planning Committee in [February 2020](#) has been sought for the station building. This will complement the community enterprise and cultural activity which will be brought to the area by the letting of 20 West Shore Road to Edinburgh Palette, approved by the Committee on [20 May 2021](#). These enterprises will strengthen the vision to create Granton Waterfront as a place where people want to live, work, learn and visit.

### 4. Main report

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- 4.1 To coincide with the completion of the works at Granton Station, the Council undertook an advance marketing exercise to secure a tenant for the property. This

sought to mitigate holding costs of the vacant refurbished property by having a tenant ready to move in once the works were complete.

- 4.2 The marketing details were tailored for the opportunity by setting out key criteria with interested parties requested, by a closing date, to set out proposals which addressed the following aspirations for the building:
- 4.2.1 Strengthen the Waterfront Broadway character area;
  - 4.2.2 Support the creation of a new, high quality public square which supports active uses such as markets, creative and cultural uses, enterprise and learning;
  - 4.2.3 Strengthen existing link through Edinburgh College and the supermarket;
  - 4.2.4 Links to the existing important nodes such as a gas holder, Forthquarter Park, Waterfront Broadway and future developments sites;
  - 4.2.5 Support the use of improved existing and create new essential pedestrian/cycle routes to connect into proposed new cycle routes in Upper Granton; and
  - 4.2.6 Demonstrate the highest quality to install confidence in the Granton Waterfront project.
- 4.3 It was considered important that proposals for the future use of the building, and surrounding public realm, aligned with community wealth building principles and nurtured collaboration, inclusion, sustainability and social justice. The prospective tenants were also asked to set out the manner in which the local community would be involved in the future use of the building and external spaces and how this would contribute to a people centred approach to economic development, helping ensure that wealth generated locally, remained local.
- 4.4 At the closing date, three proposals were received which were assessed by a panel of officers from the Granton Waterfront Project Team. The preferred submission, which was deemed to best address the key criteria set out in the marketing details, was received from Workshops and Artists Studio Provision Scotland Ltd (Wasps).
- 4.5 The provisional terms for the lease of the property to WASPS are as follows:
- Tenant Wasps Limited;
  - Rent £10,000 per annum;
  - Funding In return for a rent of £10,000 per annum, less than the estimated market rent, Wasps will contribute funding of £200,000 towards the costs of the project;
  - Term 25-years from the date of entry;
  - Break Option Tenant annual break option;
  - Rent Review At 5 yearly intervals subject to CPI increases capped and collared;
  - Use As commercial/creative space, addressing key principles and guidance as set out in the Granton Waterfront Development Framework, the Council will have the right

to bring the lease to an end should the tenant not adhere to the terms of this clause;

- Repair Full repairing liability on the tenant.

4.6 Wasps Ltd is a charity specialising in providing studio and workshop space for artists in Scotland. Founded in 1977, Wasps now operates more than 20 buildings across Scotland, providing workspaces for approximately 900 artists. It is the largest provider of affordable studio space in the UK. Wasps has won multiple awards for its work and has previously brought a number of historic buildings back into use as creative workspaces, for example the Meadow Mill former jute mill in Dundee.

## 5. Next Steps

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5.1 Following approval of the terms by Committee, the lease documentation will be agreed with the date of entry to coincide with the completion of the refurbishment works.

## 6. Financial impact

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6.1 The Council will receive a rent of £10,000 per annum which will rise at 5 yearly intervals in line with the increase CPI. The tenant will contribute £200,000 to the refurbishment costs.

## 7. Stakeholder/Community Impact

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7.1 Ward members have been made aware of the recommendations of the report.

## 8. Background reading/external references

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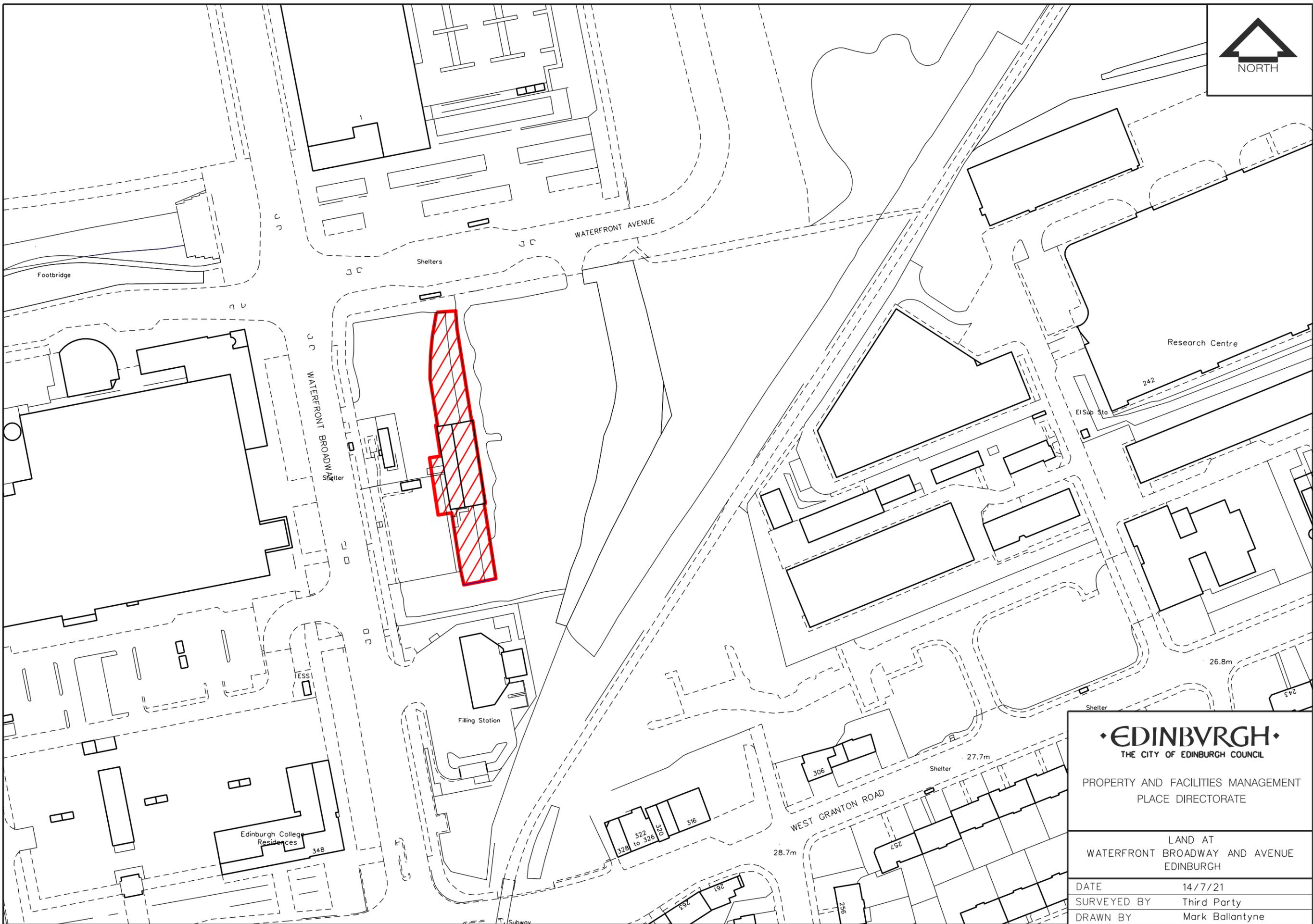
8.1 [20 West Shore Road, Granton, Edinburgh - Proposed Ground Lease Acquisition and New Lease](#) - Finance and Resources Committee 20 May 2021.

8.2 [Contract Award in Respect of "Granton Station Refurbishment"](#) - Finance and Resources Committee 4 March 2021.

## 9. Appendices

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9.1 Appendix 1 – Location Plan.



SITE PLAN

SCALE 1:1250

<b>• EDINBURGH •</b> THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT PLACE DIRECTORATE	
LAND AT WATERFRONT BROADWAY AND AVENUE EDINBURGH	
DATE	14/7/21
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/2303a