

Finance and Resources Committee

10.00am, Tuesday, 21 November 2023

EICA Bridge, Ratho – Proposed Lease Variation, Sub-Lease and Servitude

Executive/routine
Wards

Routine
2 – Pentland Hills

1. Recommendations

- 1.1 That the Finance and Resources Committee approve the variation of an existing lease, subsequent sub lease and grant of servitude of the Edinburgh International Climbing Arena (EICA) Access Bridge to allow the installation of a foul drainage pipe to facilitate the neighbouring Lostshores Development on the terms outlined in the report.

Paul Lawrence

Executive Director of Place

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Report

EICA Bridge, Ratho – Proposed Lease Variation, Sub-Lease and Servitude

2. Executive Summary

- 2.1 The Council currently leases the access bridge to the Edinburgh International Climbing Arena Bridge (EICA) from British Waterways (trading as Scottish Canals). Lostshores Ltd (formerly Wavegarden/Tartan Leisure) require to connect into the mains drain, located to the north of the EICA site. The proposed route is across the EICA bridge for which a sublease from the Council is required.
- 2.2 This report seeks approval for a variation of the existing lease, sub lease and servitude to Lostshores Limited on the terms outlined in the report.

3. Background

- 3.1 The EICA was purchased by the Council from receivers in 2006. The only access into the facility is via a bridge over the Union Canal as shown on the attached plan. The rights over the canal are leased from British Waterways (trading as Scottish Canals), which was inherited by the Council from the previous owners. The lease runs until 2051 and the current rent is £14,648 per annum, which is subject to five yearly reviews with the rent increasing by 25% each time.
- 3.2 Planning Permission was granted in 2016 (application reference 16/06371/PAN) for Lostshores proposed development including the erection of a water sport and training facilities, associated infrastructure, access (pedestrian and vehicular), landscaping and ancillary works. Additional Planning Permission was granted for the supporting buildings including ancillary class one (retail) and class three (food and drink) uses and tourism accommodation.
- 3.3 In order to deliver the proposed scheme, Lostshores Ltd require a sub-lease from the Council which will grant them rights to install a 110mm foul drainage pipe into ducting within the void of the Bridge. The terms of the existing lease with Scottish Canals require to be varied to allow the proposed sub-letting.
- 3.4 This report also requires council approval for a Servitude to Lostshores Ltd for the drainage pipe to be routed down the western curtilage of the EICA site extending to approximately 270 metres.

4. Main report

- 4.1 The following terms have been provisionally agreed for the grant of the sublease, following the variation of the head lease to allow sub-letting to take place:
 - 4.1.1 Subjects: ducting within the void of the bridge for use by Lostshores Limited for drainage purposes only;
 - 4.1.2 Sub-lessee: Lostshores Limited;
 - 4.1.3 Term: 25 years from date of entry (anticipated November 2023);
 - 4.1.4 Rent: Initially £7,324 per annum (50% of the head lease rent);
 - 4.1.5 Rent Reviews: Every five years in accordance with the head lease between the Council and Scottish Canals; and
 - 4.1.6 Costs: the Council's legal and surveyor's costs are covered by the Lostshores Limited.
- 4.2 All other terms within the Head Lease will be replicated and passed onto the Sub-Tenant.

5. Next Steps

- 5.1 Following approval of the terms by the Finance and Resources Committee, solicitors will be instructed to conclude the legal documentation.

6. Financial impact

- 6.1 The Council's lease expires in 2051. At the end of the lease, the rent will be circa £55,000 per annum, based on the provisions of the review clause.
- 6.2 A contribution of £7,324 per annum from the sub-tenant to the Council, will reduce the Council's rental commitments for the period of the sub-lease. The rental income from the sub-tenant will be subject to the same five yearly reviews as the Head Lease so will remain at 50% of the rent which the Council pays to Scottish Canals through the sub lease term.

7. Equality and Poverty Impact

- 7.1 No impact has been identified.

8. Climate and Nature Emergency Implications

- 8.1 As this proposal involves use of existing infrastructure, any impact on carbon emissions is expected to be minimal.

9. Risk, policy, compliance, governance and community impact

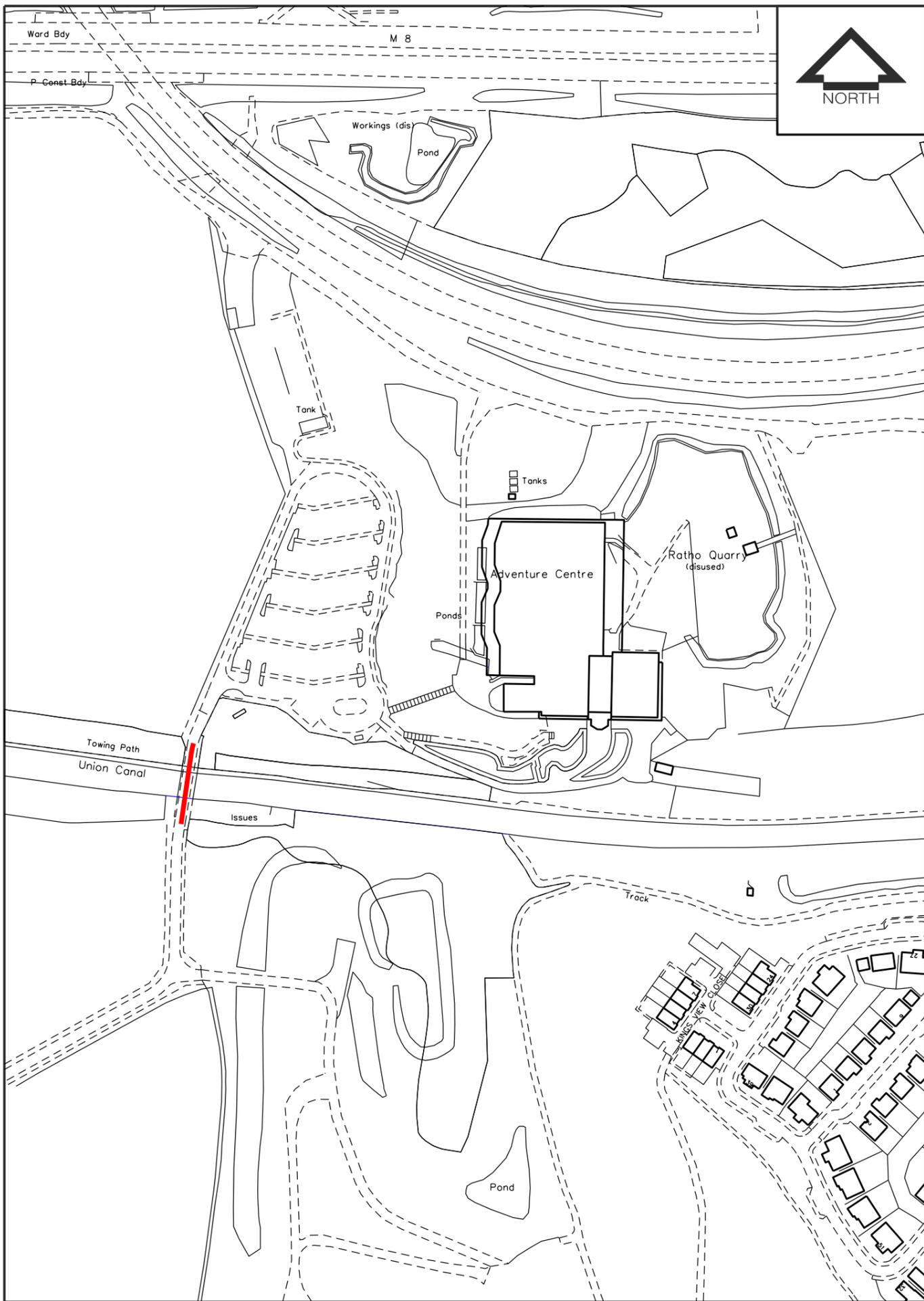
- 9.1 Ward members have been aware of the recommendations of this report.
- 9.2 No community impact has been identified.

10. Background reading/external references

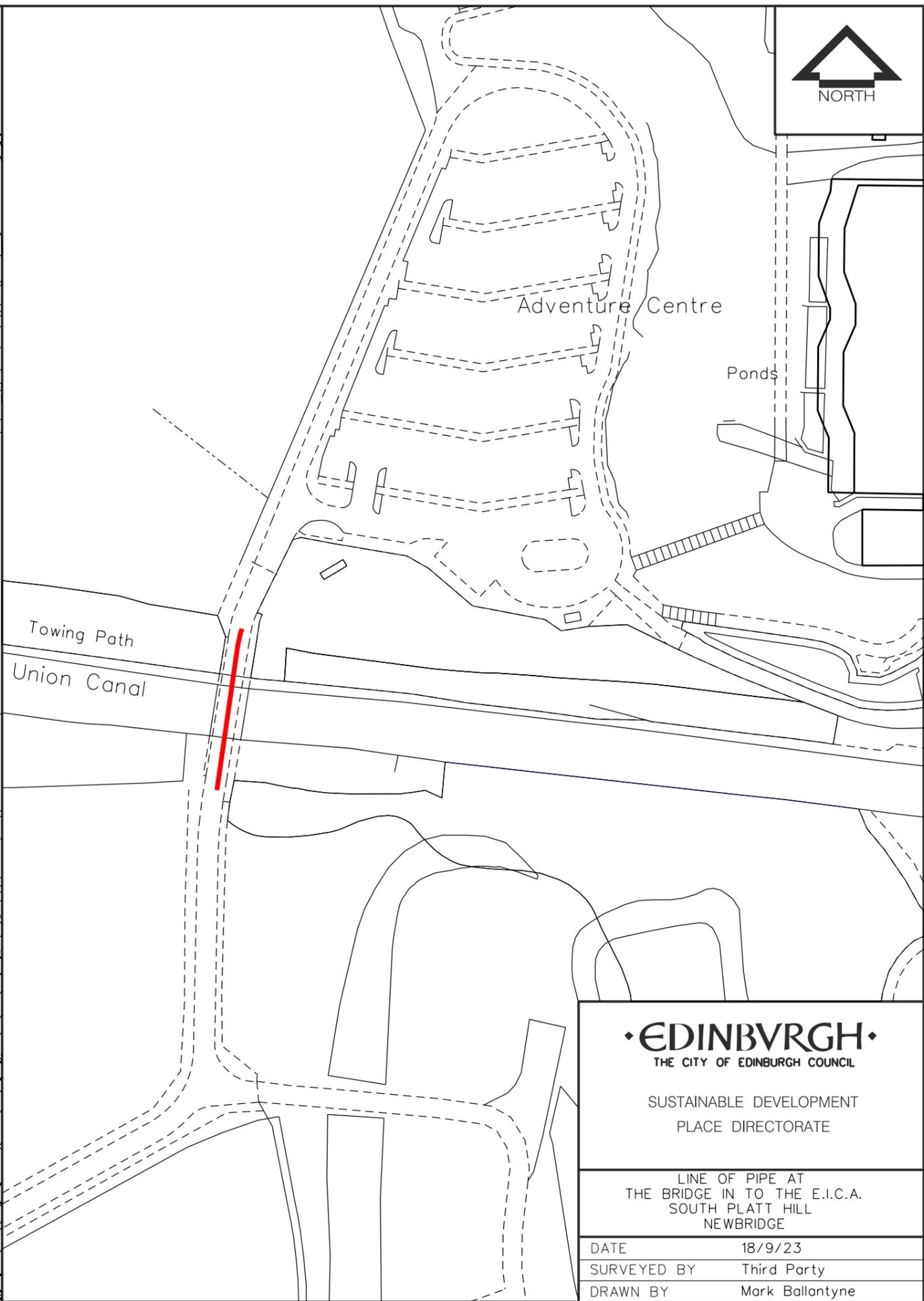
- 10.1 None.

11. Appendices

- 11.1 Appendix 1 – Sub-lease plan.
- 11.2 Appendix 2 – Servitude plan.



PLAN A SCALE 1:2500



PLAN B SCALE 1:1250

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SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
LINE OF PIPE AT THE BRIDGE IN TO THE E.I.C.A. SOUTH PLATT HILL NEWBRIDGE	
DATE	18/9/23
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/2602

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