

## LEASE OF LAND AT 25 HAWTHORNVALE, EDINBURGH

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### Finance & Resources Committee

27 January 2009

#### Purpose of report

- 1 To seek authority to accept the surrender of the existing ground lease of land at 25 Hawthornvale, Edinburgh to Edinburgh Sculpture Workshop (ESW).
- 2 To grant a new 125 year ground lease of part of this land to ESW at a nominal rent of £1 per annum, in order to facilitate the development of a new Sculpture Workshop.

#### Summary

- 3 Edinburgh Sculpture Workshop currently occupies 0.391 Ha (0.96 acres) or thereby of land at 25 Hawthornvale, Newhaven on a ground lease continuing to 2031. It is proposed to accept a surrender of the existing lease and grant a new Ground Lease for part of the site for 125 years at a nominal rent of £1 per annum, subject to the approval of the Scottish Ministers.
- 4 During the construction of the new premises, ESW will continue to occupy the current building. Upon completion they will demolish the existing premises and release approximately 0.209 hectares (0.52 acres) of their existing site back to the Council's HRA Account. This will provide the Council with a development opportunity for Affordable Housing which would not otherwise be available until 2031.

#### Main report

- 4 ESW currently lease an area of ground from the Council at 25 Hawthornvale, Newhaven. The land is held on a Ground Lease with a current passing rent of £6,500 per annum. The current lease extends to 1 April 2031 with rent reviews every 10 years.
- 5 ESW propose to build a new art sculpture centre in Newhaven on approximately 50% of the site at 25 Hawthornvale (See appendix 1 for site location). The facility will be the first purpose-built public sculpture facility in the UK, the aim of

which is to become an international centre of excellence for sculpture and contemporary art.

- 6 To facilitate this development it is proposed that the existing lease will be surrendered and a new lease granted for the new facility. Upon completion of the new premises the new lease will commence and run for 125 years at £1 per annum, subject to the approval of the Scottish Ministers to lease at less than market value. ESW will continue to use the entire site until completion of the new premises. The building will be constructed as per their current planning permission reference No. 07/01523/FUL.
- 7 New vehicular access will be required on the east boundary along the existing cycleway, shown cross hatched on the attached plan. Planning, Transport and Services for Communities have confirmed that this is acceptable. A small strip of additional land extending to 85.1 sq.metres or thereby will be needed on the southern boundary to facilitate the current development proposal (Appendix 1 shows the existing site boundary with proposed development overlaid). This will be included in the new leased area.
- 8 Upon completion of the new premises ESW will demolish the existing building and the site will then be passed back to the Council's Housing Revenue Account.

### **Environmental Impact**

- 9 Any environmental impact created by the construction of the new building and demolition of the existing building has been addressed as part of the Planning permission already granted.

### **Financial Implications**

- 10 There will be a loss of £6,500 p.a. rental to the Housing Revenue Account. This will be compensated by a gain of approximately 0.209 hectares (0.52 acres) of land for redevelopment which would otherwise be unavailable until 2031.

### **Recommendations**

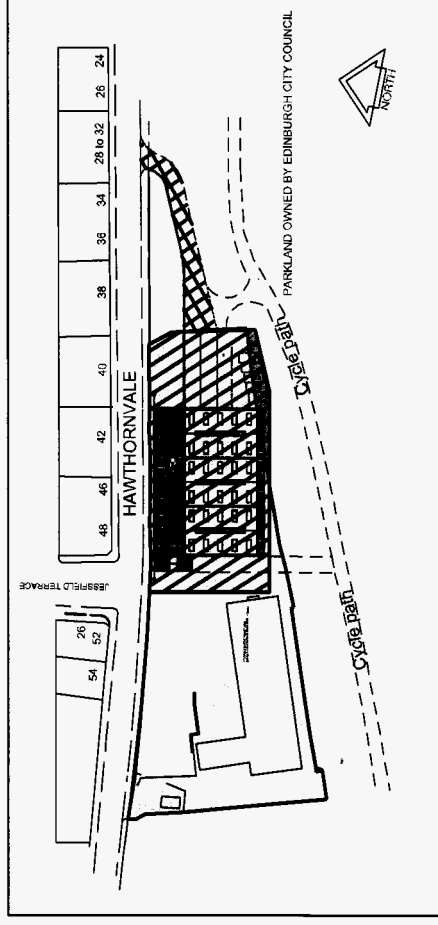
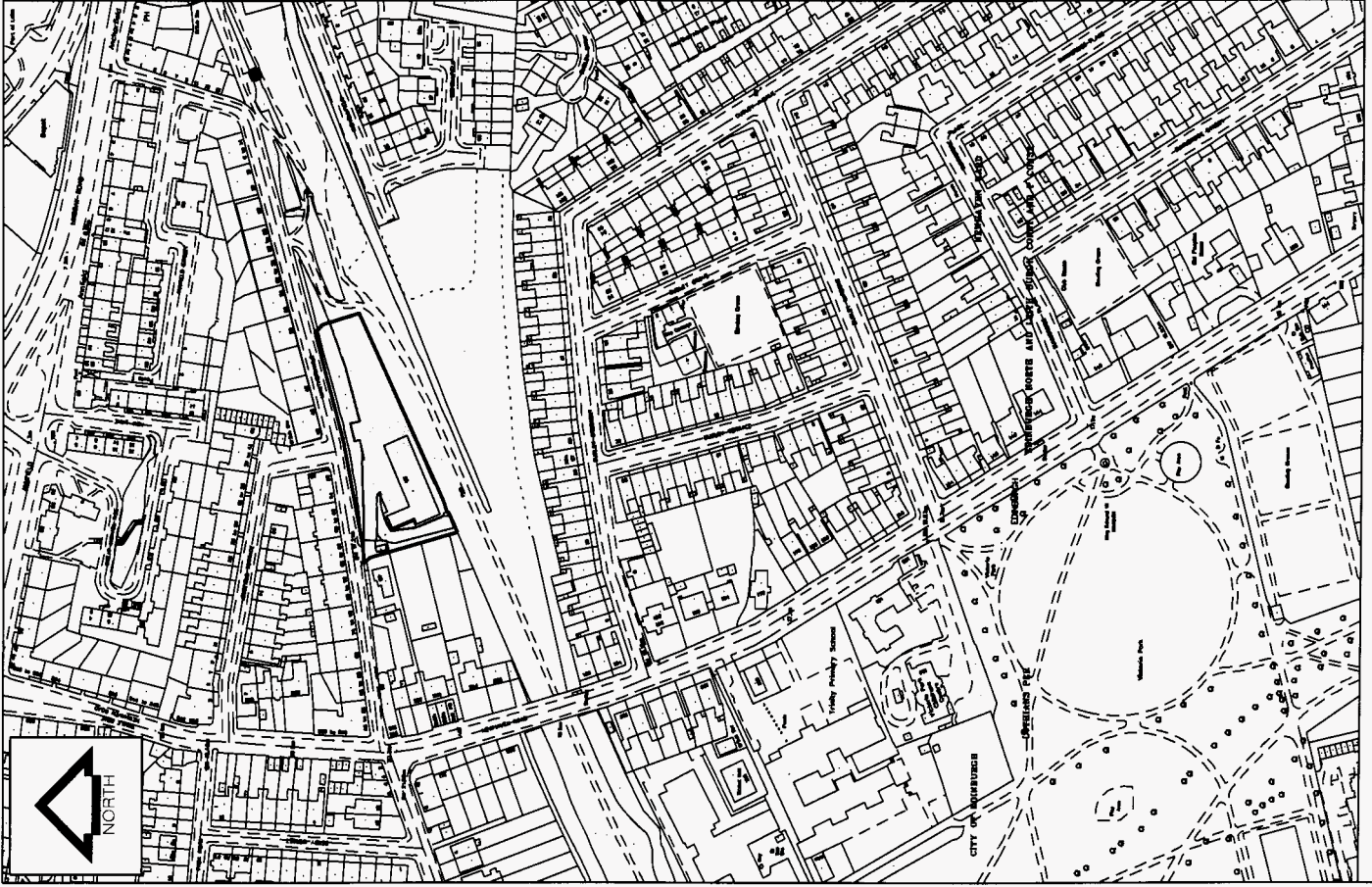
- 11 To accept a surrender of Edinburgh Sculpture Workshop's existing lease and to grant a new 125 year ground lease to ESW at a nominal rent of £1 per annum, subject to the approval of the Scottish Ministers on the main terms and conditions outlined in this report and on other terms and conditions to be agreed by the Director of City Development and the Council Solicitor.



**Dave Anderson**  
Director of City Development

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<b>Appendices</b>	Site plan including current layout, proposed layout and new boundary locations
<b>Contact/Tel</b>	Debbie Sives – Estates Surveyor, City Development Department Tel No 0131 529 6560
<b>Single Outcome Agreement</b>	Supports National Outcome 12 – “We value and enjoy our built and natural environment and protect it and enhance it for future generations” Supports National Outcome 3 - “We are better educated, more skilled and more successful, renowned for our research and innovation”.
<b>Wards affected</b>	13, Leith Ward
<b>Background Papers</b>	None



**EDINBURGH**  
THE CITY OF EDINBURGH COUNCIL

CITY DEVELOPMENT  
EDINBURGH

25 HAWTHORNVALE  
EDINBURGH

DATE 12/12/08





SURVEYED BY Mark Ballantyne

DRAWN BY Mark Ballantyne

FILE NO.

NEG. NO. Land at Hawthornvale.dgn

**KEY**

-  - PROPOSED ACCESS ROAD
-  - PROPOSED SITE BOUNDARY  
AREA - 0.182Ha (or thereby)
-  - EXISTING SITE BOUNDARY  
AREA - 0.39Ha (or thereby)
-  - PROPOSED NEW SITE ENCROACHMENT  
AREA - 85.1sqm (or thereby)

LOCATION PLAN PHOTOGRAPHICALLY REDUCED NOT TO SCALE SITE PLAN