

Proposed Lease of the Craggs Sports Centre

Finance and Resources Committee

30 August 2011

Purpose of report

- 1 This report asks the Committee to approve the grant of a long lease of the Craggs Sports Centre to a not-for-profit organisation at a nominal annual rent.

Main Report

- 2 As reported to Culture and Leisure Committee on 26 April 2011, a tender process was initiated earlier this year to find a new operator for the Craggs Sports Centre after Edinburgh Leisure withdrew from this Centre at the end of December 2010. Twelve notes of interest were received in March and three formal offers were submitted in April. The three bidders - Boroughmuir Blaze Basketball Club jointly with **basketballscotland**, The Bike Station and Sportsal - were all interviewed.
- 3 The interviews were carried out by a panel including a representative of the local community and the bidders were scored against pre-agreed criteria. The application from Boroughmuir Blaze and **basketballscotland** achieved the highest overall score.
- 4 Boroughmuir Blaze and **basketballscotland** intend to set up a not-for-profit organisation to operate the Centre. This will take the form of a charitable trust or a limited company with charitable status and at the time of writing has not yet been named. This organisation will invest all income in the operation of the Centre and will offer reduced access rates for certain groups, such as schools and young people. The organisation will also enter into an agreement with Castle Rock Edinvar which will provide trade teams to cover property maintenance and will help to promote the Centre through its existing distribution channels in the community, such as newsletters to its tenants.
- 5 It is proposed that once Boroughmuir Blaze and **basketballscotland** have set up this not-for-profit organisation, the Council should lease the Craggs Sport Centre to this organisation for a period of 25 years, on a full repairing and insuring basis, for a rent of £1 per annum, with tenant break options at the end of years one, four, seven, ten, fifteen and twenty. The Council will carry out a structural condition survey of the building at its expense before the tenant takes possession. These main terms and conditions should enable the tenant to secure funding to develop the building as a facility primarily for basketball and will also secure the future of the property and provide continued access for

community use. Other terms and conditions may be agreed between the tenant and the Council.

- 6 **sportscotland** has confirmed that the proposed use of the Centre as a sports venue would continue to satisfy the terms of its original capital grant towards the construction of the Centre, which opened in 2003.

Financial Implications

- 7 The lease of the property, even at the proposed nominal rent, will have a beneficial financial outcome for the Council as it will transfer responsibility for payment of rates, insurance, maintenance and repairs to the new tenant. As with all proposals to offer Council property at below market value, this is subject to approval by the Finance and Resources Committee. The minor one-off cost of the structural condition survey can be contained in the Culture and Sport revenue budget.

Equalities Impact

- 8 Edinburgh Leisure previously conducted an Equality Impact Assessment for the closure of this facility. Local groups who expressed concern have been involved in the work to find a new operator, and local interests were embedded in the selection process. The recommendations should result in a positive impact on quality of life for users of the Craggs Sports Centre. For these reasons, the overall equalities relevance score is 4 (out of a possible 9) and a further Equalities Impact Assessment is not required.

Environmental Impact

- 9 There are no adverse environmental impacts arising from the recommendations of this report, which should contribute to the health and well-being of the local community.

Recommendations

- 10 It is recommended that the Committee:
- a) approves the grant of a 25-year lease of the Craggs Sports Centre on the main terms referred to in this report and on other terms and conditions to be agreed by the Director of City Development and the Head of Legal and Administrative Services to a not-for-profit organisation to be set up by Boroughmuir Blaze Basketball Club and **basketballscotland**; and
 - b) refers this report to the Culture and Leisure Committee for its information.

David Jack
Acting Director of Corporate Services

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Director of City Development

Appendices

Contact/tel/Email	Roger McGaffin/529 3173/roger.mcgaffin@edinburgh.gov.uk David Wardrop/529 7738/david.wardrop@edinburgh.gov.uk
Wards affected	15 – Southside/Newington 11 – City Centre
Single Outcome Agreement	National Outcome 4 - Our young people are successful learners, confident individuals, effective contributors and responsible citizens National Outcome 5 - Our children have the best start in life and are ready to succeed National Outcome 6 - We live longer, healthier lives National Outcome 7 - We have tackled the significant inequalities in Scottish society National Outcome 8 - We have improved the life chances for children, young people and families at risk National Outcome 10 - We live in well-designed, sustainable places where we are able to access the amenities and services we need National Outcome 15 - Our public services are high quality, continually improving, efficient and responsive to local people's needs
Background Papers	Update on the Craggs Sport Centre and Queensferry Recreation Centre report to the Culture and Leisure Committee on 26 April 2011



Edinburgh University Societies Centre

Burial Ground

Solvation Army HQ

St Leonard's Nursery School

Playground

PLEASANCE

NEW ARTHUR PLACE

OKAFIELD PLACE

GREY BARKS

VIEWCRAC GARDENS

BROWN STREET

Kirk O'Field Parish Church

St Ninian's Hall

Deaconess House

Chy

Playground

Sports Centre

Holyrood Park

Heriot Mount

CARNEGIE STREET

Posts

El Sub Sta

178 to 184

29 to 39
44 to 52

Carnegie Court

26 to 28

1 to 25
53 to 61

ST LEONARD'S

WEST RICHMOND STREET

DAVE STREET

SINNS SQUARE

OLMOUR STREET

GIBBS ENTRY

Olmoour Entry

HARDWELL CLOSE

HARDWELL CLOSE

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NEW JOHN'S PLACE

HAMILTONS FOLLY MEWS

FORBES STREET

BOWMONT PLACE

ST LEONARD'S HILL

ST LEONARD'S GRAB

ST LEONARD'S HILL

ST LEONARD'S LANE

CONAN'S CLOSE

Hope College Nursery School

Playground

Police Station

El Sub Sta