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Report to:	Estates Committee
Date of Meeting:	1 March 2010
Report by:	Executive Director (Enterprise Resources)

Subject: Proposed Lease of Ground at Cathcart Place, Rutherglen, with Associated Servitude Right of Access in Favour of Energetics Electricity Limited

1. Purpose of Report

- 1.1. The purpose of the report is to:-
 - advise on action taken, in terms of Standing Order No 36(c) because of the timescales involved, by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, to approve the lease of ground at Cathcart Place, Rutherglen, to Energetics Electricity Limited and to consent to the laying of cables and the granting of a servitude right of access.

2. Recommendation(s)

- 2.1. The Committee is asked to approve the following recommendation(s):-
 - (1) that the following action taken, in terms of Standing Order No 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
 - approval of the grant of a 60 year lease of ground at Cathcart Place, Rutherglen to Energetics Electricity Limited on the terms and conditions outlined in 5.1.
 - approval for Energetics Electricity Limited to construct a sub-station on this ground and a servitude right of access to maintain and inspect it.
 - authorisation of the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, and the Head of Legal Services, if appropriate, to conclude the necessary legal agreements on behalf of the Council.

3. Background

- 3.1. The Council has entered into negotiations with Energetics Electricity Ltd to locate a substation on Council owned land to service the Council's adjacent industrial units at Cathcart Place, Rutherglen.
- 3.2 The substation will be constructed on ground held on the Enterprise Resources' account and shown on the attached plan.
- 3.3 A lease requires to be granted to Energetics Electricity Ltd to formalise their occupation of the ground and to bind them to maintain the substation and associated apparatus.

4. Current Position

- 4.1 The contractor has ordered a substation, based upon Scottish Power's requirements to service the industrial units, from Energetics Electricity Ltd who will be the provider of the electricity to the industrial units. It is now necessary to grant a lease to ensure a long term supply and protection of the associated apparatus. It will also allow the Council to meet its project deadline of completing the units by the 31 March 2011.
- 4.2 A servitude right of access will be granted over the areas shown on the attached plan to Energetics Electricity Ltd to lay, maintain and inspect the cables servicing the substation.

5. Lease Terms and Conditions

- 5.1 The lease terms and conditions are as follows:
 - 1. The lease will be for 60 years from the date of entry.
 - 2. The rent is to be £1 per annum (if asked) payable in arrears at Martinmas (28 November)
 - 3. The site is being let for use as an outdoor electricity station with underground cables connecting thereto.
 - 4. Signalling equipment and ancillary apparatus in connection solely with the electricity undertaking is permitted;
 - 5. The substation equipment is to be housed within a "GRP" (Glass reinforced plastic box type structure) enclosure to be erected and thereafter maintained by the tenants;
 - 6. The tenants shall be granted a right of access to and egress from the subjects at all times for laying, maintenance etc of electricity cables and pedestrian and vehicular access over the adjacent area.
 - 7. Any gate required to the substation is to be dual locking and required to be fitted at the supplier's expense
 - 8. Each party is to be responsible for their own legal expenses in connection with the transaction.

6. Employee Implications

6.1 There are no employee implications

7. Financial Implications

7.1 The provision of mains services is included in the project budget held within Enterprise Resources' budgets and, once completed, successful letting of these industrial units will generate a rental income to the Council.

8. Other Implications

8.1 By granting this lease the Council ensures Energetics Electricity Ltd enter into a contract which formalises their occupation of the site and obliges them to maintain the site and their apparatus. By not proceeding, there is a risk that Energetics Electricity Ltd cannot be held responsible for maintaining the facility and possible risk to the electricity supply benefiting the Council's industrial units at Cathcart Place.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1 This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.
- 9.2. Planning consent is not required as the installation is permitted development under current planning legislation

Colin McDowall Executive Director (Enterprise Resources)

7 February 2011

Link(s) to Council Objectives/Improvement Themes/Values

- Improve the quality of the physical environment
- Efficient and effective use of resources
- Partnership working, community leadership and engagement
- Support the local economy by providing the right conditions for growth, improving skills and employability.

Previous References

None

List of Background Papers

None

Contact for Further Information

If you would like to inspect the background papers or want further information, please Contact: - Joseph Lawson, Regeneration Services Ext: 5113 (Tel: 01698 455113) E-mail: Joseph.lawson@southlanarkshire.gov.uk



