



To: Executive Councillor for Finance and Resources:  
Councillor George Owers  
Report by: Philip Taylor – Senior Estates Surveyor  
Relevant scrutiny committee: Strategy & Resources Scrutiny Committee 19/1/2015  
Wards affected: East Chesterton

**GRANT OF NEW LEASE – COMBINED COLLEGES BOAT HOUSE,  
LOGAN’S WAY, CHESTERTON, CAMBRIDGE**  
**Non-key**

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**1. Executive Summary**

- 1.1 The Council owns the freehold of a 0.36 ha (0.9 acre) site off Logan’s Way which is currently let to Selwyn College for use as a boat house.
- 1.2 Selwyn College in conjunction with Churchill College, King’s College and The Leys School, known as the Combined Colleges, want to undertake a comprehensive re-development of the existing boat house and have approached the Council regarding the grant of a longer lease to secure funding.
- 1.3 Terms have been agreed in principle with the Combined Colleges for the existing lease to be surrendered with a simultaneous grant of a new 99 year lease, subject to part of the site being sub-let to Cambridge Rowing Association, who want to develop their own facilities.
- 1.4 The length of the proposed lease requires Executive Councillor approval.

**2. Recommendations**

The Executive Councillor is recommended:

- a) To agree to a surrender of the existing lease and grant of a new 99 year lease to the Combined Colleges on the terms set out in the report.
- b) To delegate authority to the Head of Property Services to finalise lease terms.

### **3. Background**

- 3.1 The Combined Colleges have met with the Council on a number of occasions over the past few years to discuss their proposals for the re-development of the site.
- 3.2 The current ground lease to Selwyn College is for a term of 75 years from 29<sup>th</sup> September 1969, at a current rent of £14,000 per annum, last reviewed in 2011, with rent reviews every 14 years.
- 3.3 The lease term has 30 years unexpired, which prohibits funding and the level of investment proposed. The Combined Colleges are seeking a re-gear whereby the existing lease is surrendered with a simultaneous grant of a new 99 year lease on modernised terms.
- 3.4 A premium of £20,000 will be payable and the rent increased to £16,000 per annum with five yearly RPI increases. The Combined Colleges will pay the Council's legal costs with completion estimated in early 2015.
- 3.5 Negotiations have been conditional upon the Combined Colleges granting an under-lease of part of the site to Cambridge Rowing Association, who intend to sub under-let part of their new boat house to Cam Rowers. Under-lease and sub-under-lease terms have been agreed directly between all three parties.
- 3.6 Both developments have obtained planning permission under references 14/0696/FUL & 14/0657/FUL and the Combined Colleges want to commence works in April 2015. Cambridge Rowing Association's development will follow once joint funding arrangements have been finalised with Cam Rowers.
- 3.7 The proposed terms provide the Council with an enhanced rental income with a modern rent review pattern and simplified RPI increases. It enables the Combined Colleges to redevelop with new boat house facilities and make better use of the site with an additional boat house for Cambridge Rowing Association and Cam Rowers. This will provide them with a permanent home for the benefit of members and the wider community.

## **4. Implications**

### **(a) Financial Implications**

Under the terms of the current lease the rent is £14,000 per annum, which was last reviewed in 2011. The lease has 30 years unexpired and the next rent review is in 2025.

The proposed terms will see the rent increased to £16,000 per annum with RPI increases every 5 years. A £20,000 premium is to be paid on completion to offset the diminution in the freehold value of the Council's reversionary interest as the lease is being extended by 69 years. The Council's legal costs are to be paid by the Combined Colleges and completion is estimated in early 2015.

The Council's financial interest will be maintained, with the revenue stream secured for a longer period with regular inflation linked rent reviews.

### **(b) Staffing Implications**

There are no direct staffing implications associated with this report.

### **(c) Equality & Poverty Implications**

There are no direct equal opportunities implications as a result of this report, and an EqIA has not been completed in respect of this proposal.

### **(d) Environmental Implications**

There are no direct environmental implications associated with this report. The environmental impact of any development will have been dealt with as part of the planning application process and any conditionality within the subsequent consent.

### **(e) Procurement**

There are no procurement implications associated with this report.

### **(f) Consultation and Communication**

A consultation exercise with nearby residents was undertaken as part of the planning application process by the Combined Colleges, Cambridge Rowing Association and Cam Rowers.

## **(g) Community Safety**

The community safety implications associated with this development will be considered by the Combined Colleges, Cambridge Rowing Association and Cam Rowers during the construction phase and operational lifetime of the boat houses.

## **5. Background Papers**

These background papers and references were used in the preparation of this report:

Lease dated 12<sup>th</sup> November 1969 between The Mayor Aldermen and Citizens of the City of Cambridge City Council and The Master Fellows & Scholars of Selwyn College In the University of Cambridge.

Both planning applications are available to view through the planning portal under references 14/0696/FUL & 14/0657/FUL.

## **6. Appendices**

Appendix A – Site Plan, Logan’s Way, Chesterton, Cambridge

## **7. Inspection of Papers**

To inspect the background papers or if you have a query on the report please contact:

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# APPENDIX A

