1. Introduction

Scottish Canals published a Draft Waterspace Strategy for public consultation in February 2012.

Within this publication, we set out our ambitions to develop greater vibrancy on the water beginning by encouraging more people to live or operate a business afloat on the waterways.

We began by describing how both residential and commercial markets had developed slowly over the years without proactive marketing. At that point, we had 25 residential moorings, all of which were located on the Lowland canals. We also had a healthy number of hire and passenger boats, charities, social enterprises and canal societies operating across Scotland, but knew there to be much potential for new commercial operators, on the Lowland canals in particular.

Next, we set out our rationale for developing these markets, outlining the public benefits to be gained by creating vibrant new residential and commercial communities on the water. These included:

- the creation of safe and welcoming locations which would, in turn, attract more visitors to the towpaths
- being able to offer a competitive and attractive alternative for housing and meet the interest in ‘living by the water’
- providing income for the local economy by attracting new residents and increased visitors spending in nearby amenities and services
- creating new opportunities for commercial enterprises, some of which would provide new services and amenities for the local community and visitors to the towpath


- creating a dynamic waterspace which is attractive to potential partners, investors and tourists
- the generation of income which can be reinvested in the canals helping to sustain this historic and environmental resource
- giving the canals a strong sense of purpose and encouraging civic ownership

We stressed that these markets would complement existing users already at the heart of the waterspace such as leisure boats, rowers and canoeists.

Finally, as both the residential and commercial markets had grown organically and were relatively untested, we concluded by proposing a pilot campaign at Leamington Wharf, Edinburgh; Speirs Wharf, Glasgow; and Seaport Marina, Inverness, to provide an understanding of the level of demand across Scotland.

The Draft Waterspace Strategy consultation, which was discussed at a number of public meetings, closed in May 2012 and we published our Findings Report in August.

As the overwhelming response to promoting living and working on the water was positive, we announced plans to launch the pilot.

We also promised to publish an evaluation of the pilot and whether it showed appropriate demand for developing a national residential and commercial moorings’ framework.

We anticipated reporting back within six months. This timescale was based on us launching each location during the summer of 2012. Due to the different infrastructure requirements of each location, this proved, unfortunately, impractical and our last pilot location, Speirs Wharf, launched in May 2013.

As a result, at this point, the pilot is not complete. However, we are keen to report back and believe that we have released and leased enough moorings to make a reasonable and acceptable assessment of demand and success.

Over the following pages, we set out how we managed the pilot and then evaluate our success to date using the measurements set out in the *Findings Report*.

*Both the Draft Waterspace Strategy Public Consultation and Findings Report can be found at [www.scottishcanals.co.uk/property-regeneration/scottish-canals-waterspace-strategy](http://www.scottishcanals.co.uk/property-regeneration/scottish-canals-waterspace-strategy)*
2. Managing the *Living on Water* Pilot

![The Blue Hue Showhome at Leamington Wharf](image)

2a. The Locations

*Living on Water* was piloted at three locations:

- Leamington Wharf, Edinburgh (Union Canal)
- Speirs Wharf, Glasgow (Forth & Clyde Canal)
- Seaport Marina, Inverness (Caledonian Canal)

These locations were chosen because they are key urban sites within three of our canal development strategies. They are good examples of where there has been great progress on the bankside and there would be significant benefit in increasing vibrancy on the water:

- Leamington Wharf sits within the Edinburgh Canal Strategy developed with the City of Edinburgh Council
- Speirs Wharf sits within the Glasgow Canal Regeneration Project to revitalise the Glasgow branch of the Forth & Clyde Canal developed with Glasgow City Council
- Seaport Marina sits within greater regeneration aspirations held with our partners the Highland Council

2b. The Moorings

![Residential boaters at Seaport Marina](image)

We offered the following number of residential moorings at each location.

- Leamington Wharf, Edinburgh - eight residential moorings
- Speirs Wharf, Glasgow – eight residential moorings
- Seaport Marina, Inverness – six residential moorings in the first phase

Each mooring was offered with an initial three year lease and subject to a number of terms and conditions including a responsibility to maintain the standard of appearance of the boat and mooring.
2c. Sales and Marketing

We contracted Rettie and Co as marketing agent for Living on Water. Their expertise has been particularly important in helping us reach people outwith the existing boating community.

As part of our sales and marketing campaign, we developed a dedicated Living on Water website (www.livingonwater.co.uk), secured coverage across national and local media and began a targeted email newsletter campaign to keep in touch with all those expressing an interest.

Each location was clearly branded Living on Water.

We also refurbished a narrowboat, Blue Hue, to act as a showhome and help with sales and marketing.

The national Living on Water campaign launched at Leamington Wharf in September 2012. The pilot at Muirtown Wharf launched in January this year and Speirs Wharf followed in May.

2d. The Auction Process

Within our initial consultation, we proposed releasing residential moorings by online auction. This system was introduced on the canals in England and Wales in 2007 and has since proven a successful method of establishing market demand and price for individual locations.

We also said that we may choose to offer some berths at a fixed price during the pilot, using the same online system.

It is of note that whilst we had hoped to take bids by post, operating postal bidding in tandem with online bidding proved impractical.
We have released the majority of residential moorings by online auction on eBay with a 10 day bidding period.

Following early feedback, we extended the auction period to conclude on, or close to, a weekend to give greater flexibility to those wishing to bid.

The remaining five residential moorings were released on eBay at a fixed price as *Buy It Now* listings (one at Leamington Wharf, one at Speirs Wharf and three at Seaport Marina.)

The auction materials have all included a published minimum price, a clear description of how to register and make an offer and the full specification and terms and conditions for that particular mooring.

In each instance, the residential mooring has gone to the highest bidder who was then able to fulfill the necessary requirements outlined in the auction materials within 14 days of the auction closing.

**2e. Managing Agent**

We contracted Click-Let (Water) as our managing agent for the pilot (and also to provide support for our existing residential customers at Bowling, Auchinstarry and Ratho).

Click-Let are now responsible for providing customer support for residents, 24 hours a day, 365 days a year. They also carry out regular inspections helping to ensure the appearance of boats remains at an acceptable standard.

**2f. Marketing Commercial Opportunities**

Whilst we focused most heavily on promoting the residential opportunities within *Living on Water*, throughout the campaign we have used the *Living on Water* and Scottish Canals websites, advertising and media coverage to raise awareness of Scotland’s canals as a fresh and attractive location for existing or start-up commercial operators.

**3. Evaluating the *Living on Water* Pilot**

![Image of Leamington Wharf](image)

**3a. Residential Moorings Released**

To date, we have released and successfully leased:

- Leamington Wharf – all eight residential moorings
- Speirs Wharf – one residential mooring out of six*
- Seaport Marina – five residential moorings out of eight in the first phase

*One mooring will be used for a refurbished Dutch barge which Scottish Canals has purchased and will let for short holiday breaks.*
The remaining residential moorings at Speirs Wharf and Seaport Marina will be released between now and Spring 2014.

3b. Demand

- 359 of people have expressed an interest in living on water during the marketing period to date
- 37 of people have bid for a residential mooring by the online auction process or bought one as Buy It Now
- At this point, 11 people have taken up occupation of their residential mooring (eight at Leamington Wharf, one at Speirs Wharf and two at Seaport Marina)*

The following table shows the above broken down by location.

<table>
<thead>
<tr>
<th>Location</th>
<th>Residential Moorings Released to Date</th>
<th>People Expressing Interest</th>
<th>People Bidding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leamington Wharf, Edinburgh</td>
<td>8</td>
<td>8</td>
<td>165</td>
</tr>
<tr>
<td>Speirs Wharf, Glasgow</td>
<td>6</td>
<td>1</td>
<td>149</td>
</tr>
<tr>
<td>Seaport Marina, Inverness</td>
<td>8</td>
<td>5</td>
<td>86</td>
</tr>
</tbody>
</table>

* Successful bidders have six months to take up their new residential mooring.

3c. New Residents

As noted above, we now have 11 residents living on the pilot residential moorings.

Of this number, nine are new to boating on Scotland’s canals and have purchased a boat for the purposes of Living on Water.

3d. Quality of Experience

We asked two of our new residents to tell us about their quality of experience living on the water. This is what they said:

**Our first residential boater lived locally but was new to boating.**

“I was attracted to the idea of being able to live ‘off-grid’ and low-impact in a green location but inside the city so I can get everywhere by bike. I’m in the process of fitting the boat out with solar panels and compost toilets and already have a woodburning stove.

“I was also attracted to the idea of having ‘my own’ place but not being completely tied to a location - when I want to move, in all likelihood I can take my boat with me.

“Lastly, I could not have afforded a house but was able to get a big enough loan for a boat.”

“I’m still working it all out so I can’t really say how it compares to my expectations - but I love it.

“A lot of things are more complicated than I thought and take more time to sort out but it is a fantastic opportunity to learn a lot of new skills (to fit out the boat, for example). The novelty of having to walk five minutes to get to the toilet facilities has definitely worn off but that’s just temporary until I get round to building a bathroom!

“I am looking forward to more people moving to the canal and for a community to develop. At the moment I am the only person on my pontoon and only another two boats in the marina are residential, so it is a little quiet but that has its advantages too.

“I had no idea ducks and sea-gulls were such pests though (well, they are nice, but their droppings aren’t...), and I had not thought through the difficulty of storing things like bikes and firewood but I am hopeful that the sheds and bike storage planned will be built soon.

“Would I recommend living on a boat to a friend? Yes.”

Our second new residential boater, who has a two year old child, had lived locally for the last two years and had the opportunity to lend a family boat.

“The difference in quality of life here on the canal is just immeasurable.

“My father owned a boat and lived on it for three years before deciding to move into a cottage. He was faced with the choice of storing the boat, selling it or lending it to me. Obviously I jumped at the offer!

“I was attracted to living on water because I’m a very transient character. Work is now forcing me to stay in one location but having the ability to moor up in new places whenever I get the itch to move is a very important thing for me!

“I was expecting living on water to be nothing short of amazing and it is. I arrived here in early August and got the full benefit of the warm weather, sun glittering on the water, al-fresco breakfasts, all that kind of thing. Now that winter is here, it’s wonderful in a totally different way. Being rocked to sleep in a gale, the rain hammering on the roof...

“I honestly, genuinely can’t think of a single negative thing to say. My neighbour in the café opposite has been an absolute star, I’ve met some lovely visitors arriving on holiday barges and it’s great to see the wildlife outside my windows every day. I have a two year old child and a large shaggy dog and it’s been fantastic for them too. My daughter hasn’t missed losing 80% of her toys in the move and is now much more of an outdoors kid than was previously possible where we stayed last. I’m also impressed with how quickly she became aware of the dangers of the water – she’s very sensible about not running on the jetty and waits for my hand to step off the boat.

“For me, the advantages of living on water are being able to access a relatively high quality of life for very little cost and of being able to move around and explore the area from a new perspective. I’m a high-speed workaholic so being forced down to 3mph is probably very good for my long term health! I was brought up in an extremely rural location so being on a boat does provide the feeling of peace I was lacking.

“Would I recommend living on a boat to a friend? It would depend on the friend but, in the main, yes absolutely. Obviously living on a boat might prove more challenging for various people – access can be a bit tricky for people with limited mobility, and lack of
space can drive some folk a bit stir crazy but it suits me absolutely down to the ground and I’d be very encouraging of any friend to at least give it a try.

“I look forward to sailing and doing more pottering around now that work has tailed off for the year. It’s too much fun not to!”

**Note:** Within the Draft Waterspace Strategy consultation document and Findings Report we proposed gathering feedback from neighbouring communities in addition to the new residential boaters. At this point, with only a few residents taking up occupation at Speirs Wharf and Seaport Marina so far, we feel we do not have the basis on which to meaningfully and realistically ask for comment.

### 3e. Additional Comments

**Auction System**

We achieved what we consider high levels of interest and a good conversion from interest through to actual bidding.

We also secured what we believe to be a competitive price for each residential mooring released by using the auction and *Buy it Now* system.

It is also of note that all successful bidders have been able to fulfill the necessary requirements outlined within the auction materials within 14 days of the auction closing as they were required to do.

**Lease Length**

There was no consensus during the consultation about length of lease and we chose to offer an initial three year lease. We have received no negative feedback about this lease length from either those expressing an interest or bidding.

**Standard of Vessel**

Our terms and conditions strictly state that residents have a responsibility to ensure that their boats are of an acceptable appearance in addition to meeting all safety standards. All those taking up residence to date have met those standards.

**Opportunities to try Living on Water**

Blue Hue has proven successful as a showhome with a number of people visiting over the marketing period.

Recently, we decided to let her as a holiday hire boat giving those new to the waterways the opportunity of trying *living on water* before considering leasing a mooring.

We are now refurbishing a Dutch barge to let as a second holiday hire boat for the same reason.

The revenue created from both boats will be reinvested in the canals.
**Developing a Rental Market**

Within the Draft Waterspace Strategy consultation, we outlined our hopes to see rented residential boats on the water alongside leased residential moorings.

To help stimulate this market which will give greater accessibility to *Living on Water*, we are currently considering the purchase of a third boat. This will be based at Leamington Wharf and let on a short-assured tenancy basis.

**4. The Commercial Market**

In recent years, a wide range of commercial operators have been attracted to Scotland’s canals, from social enterprises and charities through to office-based companies and professional consultancies and medium sized tourism operators.

As we set out in the Draft Waterspace Strategy, our approach to supporting such a diverse set of commercial customers is to work with each individually. In this way, we can help meet the different needs of each business and support their growth.

Recognising that the canals can appeal to such different types of business, our approach to marketing commercial opportunities through the pilot has been similarly flexible. We have chosen not to promote the canals for specific types of business but rather to invite potential commercial customers to discuss their ideas with us.

Again, as some locations will be more attractive for certain businesses than others, we have not marketed specific moorings as commercial but are able to discuss a variety of options with each business getting in contact with us.

We’re delighted to say that, as a direct result of the promotion of the pilot at Leamington Wharf in Edinburgh, we have recently welcomed a new soft skills training centre to the Union Canal at nearby Edinburgh Quay.

**5. Conclusion**

Taking into account the level of interest in, and demand for, *living on water*, the rate achieved for the pilot moorings and the quality of experience indicated, we believe that the pilots, as they stand today, have proven the commercial and social case for developing a national framework of residential moorings across Scotland’s canals.

*Living on Water* has therefore become an integral part of our Business Plan going forward.

We will also continue to promote Scotland’s canals for commercial operators looking for a new opportunity and attractive location.

In terms of the process, the auction system has proven a successful system for leasing residential moorings so we will continue to use it for the foreseeable future for new residential moorings.
We will also use the auction system to lease existing residential moorings which become available. (As noted in the consultation findings report, we will no longer operate a residential waiting list.)

We will also continue to use Rettie and Co as marketing agent and Click-Let (Water) as management agent for the foreseeable future.

**Existing Customers**

During the public consultation we recognised that, to date, there have been two types of moorings on Scotland’s canals where people have lived on their boat. These are officially classified ‘residential’ moorings, which have the benefit of all the necessary residential permissions in place, and moorings which are classified as ‘leisure’ but which are currently occupied on a ‘live-aboard’ basis.

We are grateful to all our residential and live-aboard customers who have pioneered living on water over the years. To enable us to move forward with a formalised residential moorings framework across Scotland, we can no longer recognise informal ‘live-aboard’ status as before and we are working to help our live-aboard customers gain the benefits of a residential mooring. To assist in this transition, we have promised to honour the existing license agreements for our live-aboard customers (and our existing residential customers) for five years up to April 2017**.

*Definitions: A ‘residential customer’ occupies a licensed Residential Mooring living aboard for up to 365 days a year. Those customers currently recognised as ‘live-aboard’ occupy a licensed Leisure Mooring but live onboard on a generally full-time or high frequency basis. A Leisure Mooring is licensed exclusively for ‘leisure’ purposes and not for hire, trading commercially, residential use or for living onboard.

**The rates are subject only to the regular annual review process. After April 2017, all rates will be set to reflect the average local charge. This arrangement is personal and cannot be extended to new customers taking up these berths within the five year period.

6. Toward a National Moorings Framework

6a. Unexpected Funding

It is of note that, during the pilot period, Scottish Canals unexpectedly secured additional investment from the Scottish Government as part of a new national capital projects fund.

This additional funding enabled us to accelerate a number of infrastructure projects to stimulate vibrancy and activity on the canals. These projects, which were chosen by Scottish Government, included Living on Water.

As the terms of grant require this funding is invested in new residential moorings by the end of the current year, we were required to submit planning applications for potential new moorings immediately. Whilst this necessitated us acting before the pilot had been fully completed, we had almost concluded our Edinburgh pilot and received high levels of interest for both Speirs Wharf and newly released residential moorings at Seaport Marina.
6b. The Emerging Picture

At this point, we are keen to share what is an emerging picture of where we hope to be able to offer new residential moorings from next year.

This picture builds on the pilot evaluation above as well as feedback from the initial consultation and subsequent customer forums and stakeholder meetings.

It also reflects the thoughts of Ardrishaig Community Trust and our Crinan Customer Forum. Whilst we didn’t envisage creating new residential moorings on the Crinan Canal in the initial consultation, their feedback suggests that these new moorings would be a welcome addition to the local environment.

At present, we are exploring the feasibility of introducing new moorings in the following locations in two consecutive phases, the first of these commencing in Spring 2014.

**Phase 1**

**Forth & Clyde Canal**
- Bowling
- Applecross, North Glasgow
- Firhill, North Glasgow
- Cadder, East Dunbartonshire
- Southbank Marina, Kirkintilloch
- Kirkintilloch Town Centre
- Grangemouth

**Union Canal**
- Causeway End, near Linlithgow
- Linlithgow
- CALA Marina ( Ratho)

**Phase 2**

**Forth & Clyde Canal**
- The Falkirk Wheel East
- Lock 16, near Falkirk
- The Stables, Kirkintilloch
- Maryhill, North Glasgow
- Jelly Hill, Bishopbriggs

**Union Canal**
- Ratho
- Lochrin Wharf, Edinburgh
- Viewforth, Edinburgh
- Harrison Park East, Edinburgh
- Kingsnowe, Edinburgh
- Hermiston East, Edinburgh

**Crinan Canal**
- Ardrishaig
**Caledonian Canal**
- Dochgarroch
- Gairlochy

Whilst the moorings at each location will be subject to our own feasibility studies and approvals through the planning process, anyone wishing to offer feedback on these locations directly to Scottish Canals can email Frances Mimnagh in the Estates department on frances.mimnagh@scottishcanals.co.uk

### 6c. Developing the Wider Waterspace

We hope to complete a full review of our existing leisure and visitor moorings* as well as specific commercial agreements across Scotland next year in tandem with the roll out of new residential moorings.

We will also undertake a wider review of existing and potential commercial opportunities across Scotland. In the meantime, we will continue to encourage potential commercial customers to explore possible locations on Scotland’s canals, including those outlined for phases 1 and 2 above.

*Definitions: A Leisure Mooring is licensed exclusively for ‘leisure’ purposes and not for hire, trading commercially, residential use or for living onboard. A Visitor Mooring is used by transiting customers (those who have purchased a ‘transit’ or ‘short-term licence’ to travel on a canal for up to two months) or a ‘long term berth holder’ who is away from their ‘home mooring’ (as defined in 1.2 of our Long Term General Licence Conditions).