

Finance and Resources Committee

10.00am, Thursday, 3 November 2016

Proposed 10 year lease at 86/88 Niddrie Mains Road, Edinburgh – Update

Item number	8.1
Report number	
Executive/routine	Routine
Wards	17 – Portobello / Craigmillar

Executive summary

The Finance and Resources Committee, on 18 August 2016, was requested to approve the grant of a new 10 year lease to Co-operative Funeral Services Limited of 86/88 Niddrie Mains Road.

Committee continued the report to allow community groups to be consulted on options for the lease of 86/88 Niddrie Mains Road, and for the development of a business case for a possible CCTV community hub.

This report seeks to provide committee with an update.

Links

Coalition pledges	P17
Council priorities	CP5 , CP8 , CP9 , CP12
Single Outcome Agreement	SO1

Proposed 10 year lease at 86/88 Niddrie Mains Road, Edinburgh - Update

Recommendations

1.1 That Committee:

1.1.1 Notes that the proposed tenant, the Co-operative Funeral Services Limited, has found alternative accommodation within the Council estate; and

1.1.2 Notes that the property will remain under a short term let until a decision is taken on a future CCTV community hub.

Background

2.1 The premises at 86/88 Niddrie Mains Road extends to 660.63sq m (7,111sq ft) or thereby and is shown outlined red on the attached plan.

2.2 Following construction of the new east neighbourhood office and library hub the property became vacant and was placed on the open market for lease in May 2013. There has been very little genuine interest in the building due to its large size and location.

2.3 On 18 August 2016, Finance and Resources Committee was asked to approve a 10 year lease of the building to Co-operative Funeral Services Limited at an annual rental of £45,000.

2.4 Committee continued the report to allow community groups to be consulted on options for the lease and for the development of a business case for a possible CCTV community hub.

2.5 In the meantime, in order to mitigate the vacant property costs that the Council is liable for whilst negotiations were ongoing with Co-operative Funeral Services Limited, a local charity, Remade in Edinburgh, has been occupying the property for use as storage from 29 June 2016 to 28 October 2016 and the month to month thereafter.

Main report

3.1 A separate report to be considered by this Committee is recommending approval of two commercial leases to the Co-operative Funeral Services Limited at industrial premises at Peffermill. If this is approved, Co-operative Funeral

Services Limited will have no operational need for 86/88 Niddrie Mains Road and will withdraw their interest.

- 3.2 Community engagement is continuing through the Neighbourhood Alliance who had previously showed interest in the property for a community led use. These discussions will continue, but in the short term it is proposed to continue with the short term let, to relieve the Council of vacant rates costs.
- 3.3 The CCTV community hub project is currently unfunded and will be considered as part of 2017/18 budget setting exercise.

Measures of success

- 4.1 Any new lease of the building will bring an underused property into commercial and beneficial use, generating a rental income for the Council.

Financial impact

- 5.1 The occupation of the property by a charity saves the Council approximately £25,000 per annum on vacant property costs.

Risk, policy, compliance and governance impact

- 6.1 It is considered that this is little or no impact on Risk, Policy, Compliance or Governance issues.

Equalities impact

- 7.1 An equality and Rights Impact Assessment is not required at this stage.

Sustainability impact

- 8.1 There are no sustainability issues arising from this report.

Consultation and engagement

- 9.1 Community engagement is ongoing.

Background reading/external references

N/A

Hugh Dunn

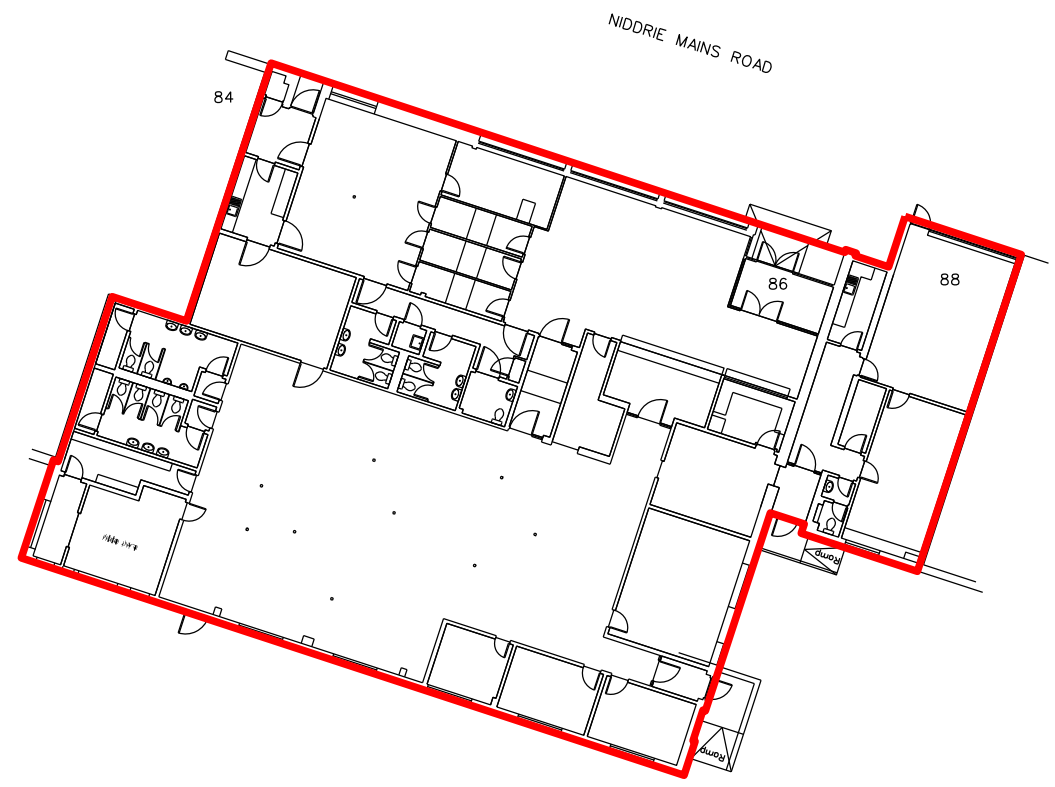
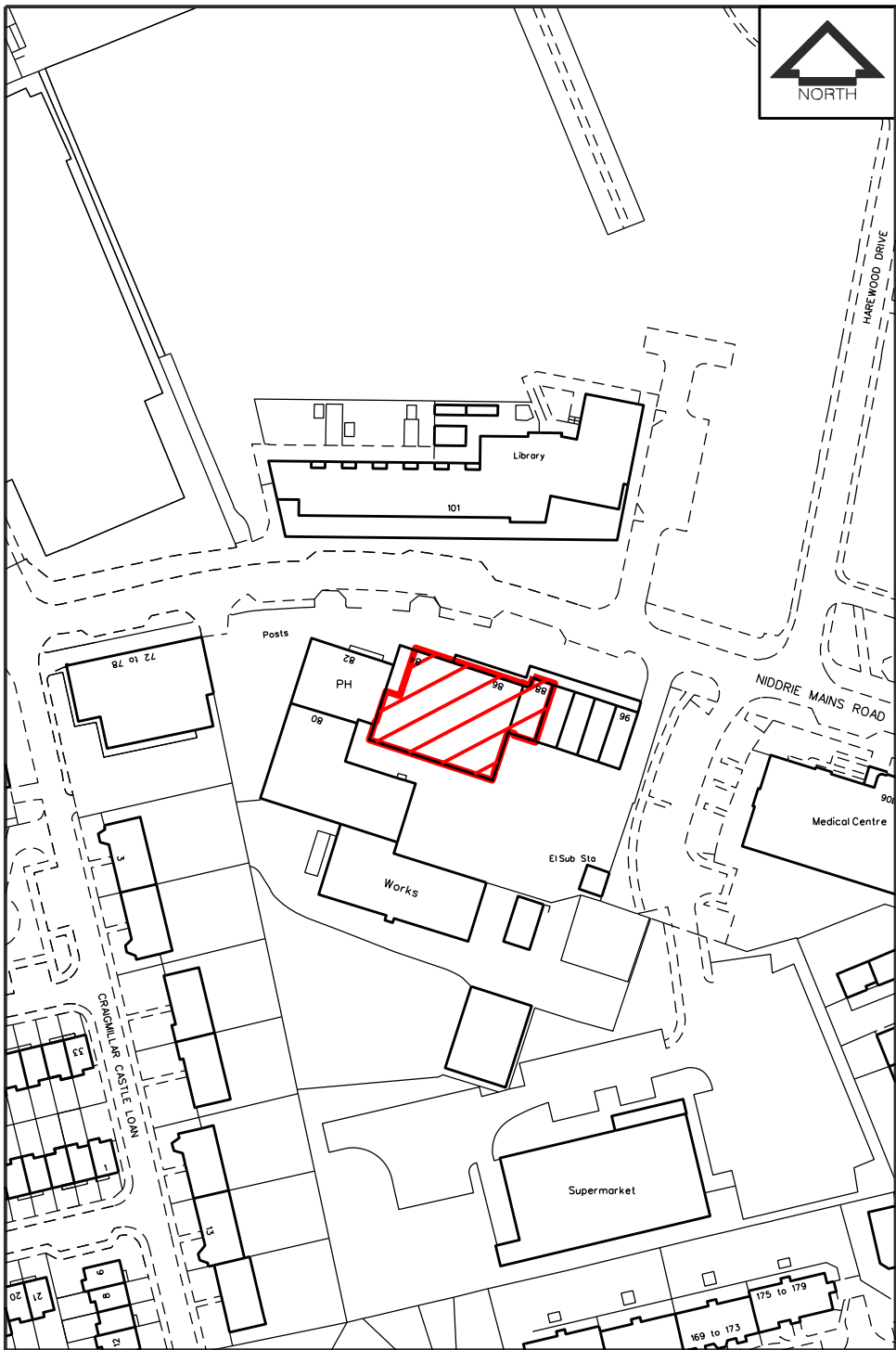
Acting Executive Director of Resources

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Links

Coalition pledges	P17 – Continue efforts to develop the city’s gap sites and encourage regeneration.
Council priorities	CP5 – Business growth and investment. CP8 – A vibrant, sustainable local economy. CP9 – An attractive city. CP12 – A built environment to match our ambition.
Single Outcome Agreement	SO1 – Edinburgh’s Economy delivers increased investment, jobs and opportunities for all.
Appendices	Appendix 1 - Location Plan



• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
SERVICES FOR COMMUNITIES EDINBURGH	
86 to 88 NIDDRIE MAINS ROAD EDINBURGH	
DATE	17/6/15
SURVEYED BY	MB
DRAWN BY	Mark Ballantyne
SCALE	N.T.S.
NEG. NO.	A3/1367

LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

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