

Finance and Resources Committee

10.00am, Thursday, 19 January 2017

Proposed Lease Extension at 12 Dumbryden Road, Edinburgh

Item number	8.2
Report number	
Executive/routine	Routine
Wards	7 – Sighthill/Gorgie

Executive Summary

The property at 12 Dumbryden Road is let to the Kurdish Initiative and is used as an office and meeting space.

The lease is due to expire on 31 March 2021 and the tenant has requested a five year lease extension effective from that date.

This report seeks approval to the grant of a five year lease extension on the terms and conditions outlined in the report.

Links

Coalition Pledges	P15 , P31
Council Priorities	CP4 , CP6 , CP8
Single Outcome Agreement	SO4

Proposed Lease Extension at 12 Dumbryden Road, Edinburgh

1. Recommendations

1.1 That Committee:

- 1.1 Approves a five year lease extension to the Kurdish Initiative of office premises at 12 Dumbryden Road, Edinburgh, on the terms outlined in this report and on other terms and conditions to be agreed by the Acting Executive Director of Resources.

2. Background

- 2.1 The office premises at 12 Dumbryden Road extends to 84.53 sq m (910 sq ft) or thereby and is shown outlined in red on the attached plan.
- 2.2 Since 1 April 2016, the Kurdish Initiative has been the tenant at the property operating an office and meeting space for the community group. The current rent is £8,000 per annum.

3. Main report

- 3.1 The existing lease expires on 31 March 2021, and Kurdish Initiative has requested that the Council grant a five year lease extension from 1 April 2021. A rent review will be incorporated on 1 April 2021, which has been agreed in advance at £9,100 per annum.
- 3.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing lease.
- 3.3 The following terms have been provisionally agreed:
 - Subjects: Property at 12 Dumbryden Road, Edinburgh;
 - Lease Extension: Five years from 1 April 2021 until 31 March 2026;
 - Rent Review: 1 April 2021 rent review agreed at £9,100 per annum;
 - Use: Office and Meeting Space; and
 - Other terms: As contained in the existing lease.

4. Measures of success

- 4.1 Granting a five year lease extension will allow the Kurdish Initiative to continue their long term financial planning for the community group and their investment into the property and surrounding land. This lease extension would also help maintain the support network for the Kurdish community in the Sighthill and Gorgie area.

5. Financial impact

- 5.1 An increase in rent of £1,100 per annum.

6. Risk, policy, compliance and governance impact

- 6.1 This is a five year lease extension to the existing tenant who has been operating from the property since April 2016. It is considered there is little or no impact on Risk, Policy, Compliance or Governance issues.

7. Equalities impact

- 7.1 An Equality and Rights Impact Assessment has been carried out.
- 7.2 A lease extension will ensure that the Kurdish Initiative can continue to plan both financially and in terms of developing a support network for the community. This will allow the tenant to continue to provide a high level of service and support to their members. This directly links to an enhancement of the following rights namely (i) Legal Security, (ii) Education and Learning and (iii) Productive and Valued Activities.
- 7.3 A possible infringement has been identified in that by offering a lease extension to the current tenant rather than placing the property on the open market at lease expiry, there is no opportunity for other occupiers who may wish to lease the premises. However, given the established nature of the tenants business and the possible effect on it if a lease extension is not granted, the impact is considered to be proportionate and justifiable.

8. Sustainability impact

- 8.1 There are no sustainability issues arising from this report as the property has been leased out as an office/meeting space for many years and this is set to continue.

9. Consultation and engagement

9.1 N/A

10. Background reading/external references

10.1 N/A

Hugh Dunn

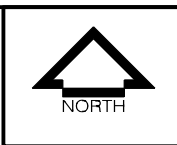
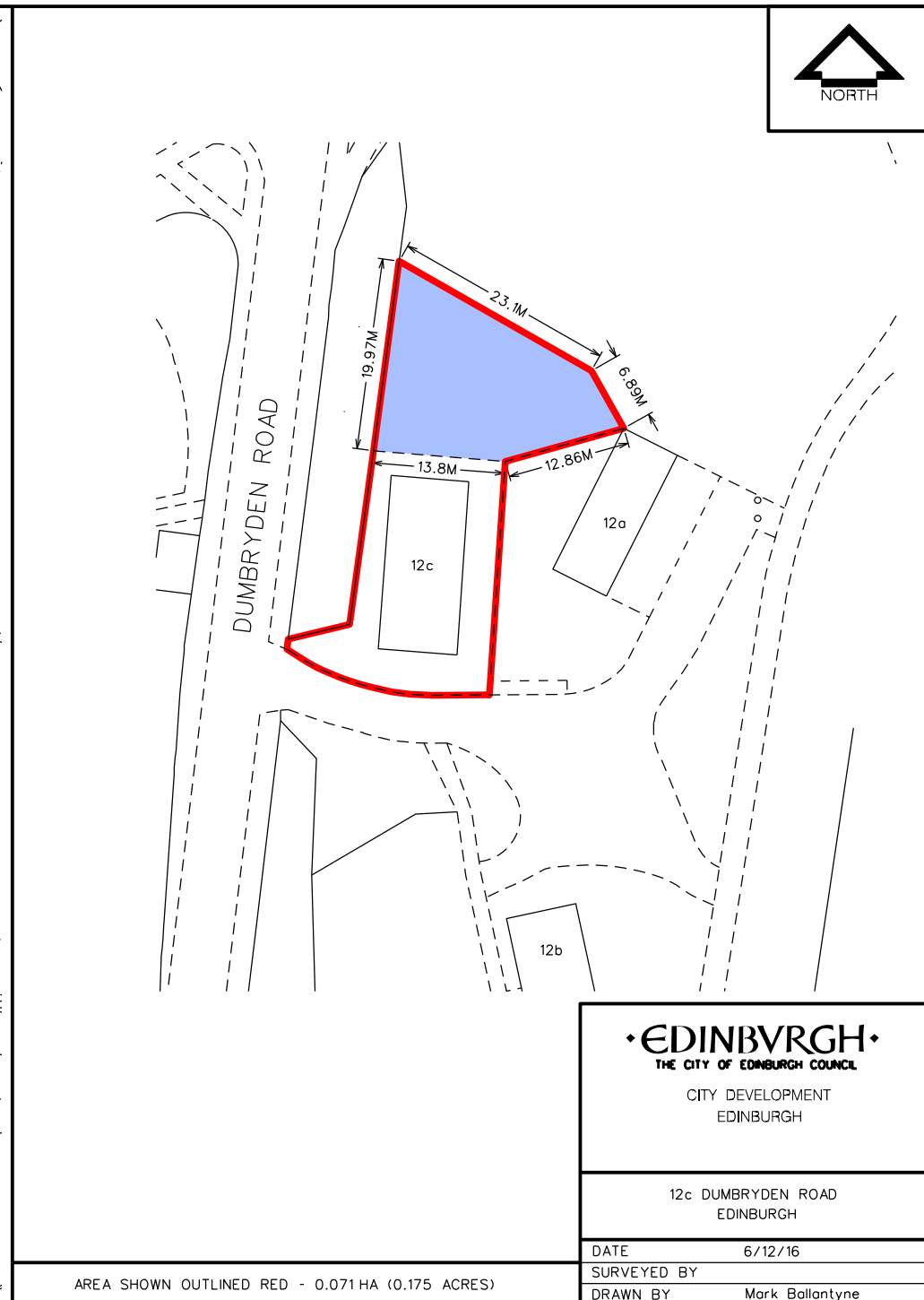
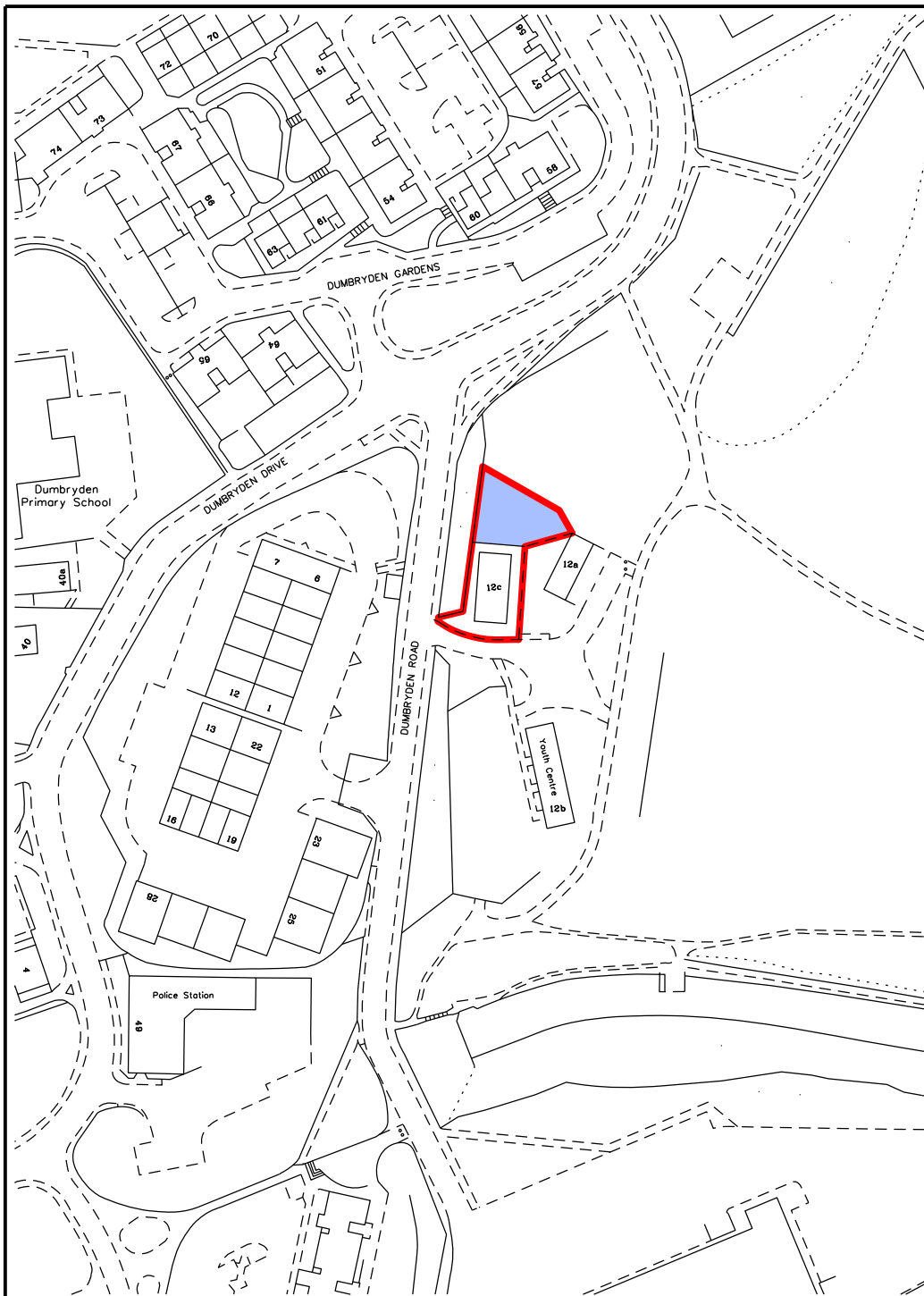
Acting Executive Director of Resources

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11. Links

Coalition Pledges	P15 – Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors. P31 – Maintain our City's reputation as the cultural capital of the world by continuing to support and invest in our cultural infrastructure.
Council Priorities	CP4 - Safe and empowered communities CP6 – A creative, cultural capital CP8 – A vibrant and sustainable local economy
Single Outcome Agreement	SO4 – Edinburgh's communities are safer and have improved physical and social fabric.
Appendices	Location Plan.



LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

AREA SHOWN OUTLINED RED - 0.071 HA (0.175 ACRES)

• EDINBURGH •
THE CITY OF EDINBURGH COUNCIL

CITY DEVELOPMENT
EDINBURGH

12c DUMBRYDEN ROAD
EDINBURGH

DATE 6/12/16

SURVEYED BY

DRAWN BY Mark Ballantyne

FILE NO.

NEG. NO. A3/920a