

Finance and Resources Committee

10.00am, Thursday, 23 March 2017

Summary Report on Property Transactions concluded under Delegated Authority

Item number	8.1
Report number	
Executive/routine	Routine
Wards	City-wide

Executive Summary

To advise the Committee of all lease agreements, etc. concluded in terms of the Council's 'Scheme of Delegation to Officers'.

This delegated authority currently extends to the conclusion of all new leases of up to five years in length where the rental is no greater than £50,000 per annum and rent reviews where the rental is no greater than £50,000 per annum. The authority also includes the sale of property which has been declared surplus to the requirements of the Council and sold on the open market to the highest bidder. Any transactions outwith these parameters are reported separately to Committee.

Links

Coalition Pledges	P30
Council Priorities	None identified
Single Outcome Agreement	SO1

Summary Report on Property Transactions concluded under Delegated Authority

1. Recommendations

That Committee:

- 1.1 Notes the 31 transactions detailed in the attached Appendix have been concluded in terms of the Council's 'Scheme of Delegation to Officers.'

2. Background

- 2.1 Under the Council's Scheme of Delegation to Officers it is the responsibility of the Chief Executive or relevant Director to keep the elected members appropriately informed about activity arising within the scope of the delegated authority under the Scheme. Reporting on a quarterly basis is considered the appropriate manner and frequency of keeping members advised.

3. Main report

- 3.1 Appendix 1 provides details of 31 transactions completed under delegated authority since the last quarterly report.
- 3.2 These transactions include five new leases, one lease assignment, one lease variation, eight rent reviews, and two lease renewal/extensions. These transactions will result in a minimum additional rental income of £110,711 per annum.
- 3.3 Eleven disposals and three new event/work licences have also been completed, totalling £1,912,714.

4. Measures of success

- 4.1 N/A.

5. Financial impact

- 5.1 There are no financial implications as a result of this report.

6. Risk, policy, compliance and governance impact

- 6.1 There are no risk, policy, compliance or governance impacts as a result of this report.

7. Equalities impact

- 7.1 Equalities and Rights Impact Assessments have been carried out on all of the enclosed transactions.

8. Sustainability impact

- 8.1 There are no sustainability impacts as a result of this report.

9. Consultation and engagement

- 9.1 N/A.

10. Background reading/external references

- 10.1 N/A.

Hugh Dunn

Acting Executive Director of Resources

Contact: Graeme McGartland, Investments Senior Manager

E-mail: graeme.mcgartland@edinburgh.gov.uk | Tel: 0131 529 5956

11. Links

Coalition Pledges	P30 - Continue to maintain a sound financial position including long-term financial planning.
Council Priorities	None Identified.
Single Outcome Agreement	SO1 – Edinburgh’s economy delivers increased investment, jobs and opportunities for all.
Appendices	Appendix 1 – List of Transactions

APPENDIX 1

NEW LEASES

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
1. 35/W380N/1 SI	9 – Fountainbridge/ Craiglockart	General Property	Unit 1 West Gorgie Park, Edinburgh 775 sq ft	Alba Lifestyle	Gym/Training Space	Old Rent: n/a New Rent: £8,400 per annum Lease Period: 16 Nov 2016 to 13 Nov 2021, and month-to-month thereafter Payable: Monthly, in advance
<input type="checkbox"/> ERIA received? REMARKS: Unit marketed at £6,500 per annum. £8,400 per annum achieved at the closing date.						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
2. 17314/3 SI	7 – Sighthill/ Gorgie	General Property	Unit 3 Broomhouse Workspace, Edinburgh 990 sq ft	Anglian Building Products	Warehouse	Old Rent: n/a New Rent: £10,200 per annum Lease Period: 28 Nov 2016 to 01 Mar 2017 Payable: Monthly, in advance
<input type="checkbox"/> ERIA received? REMARKS: Previous tenant's lease expired. Temporary lease has been agreed to provide income whilst marketing for long term interest continues.						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
3. 17426/4 SI	13 – Leith	General Property	Unit 4 Bonnington Business Centre, 112 Jane Street, Edinburgh 2,475 sq ft	Campervan Brewery Limited	Warehouse/ Micro Brewery	Old Rent: n/a New Rent: £20,520 per annum Lease Period: 4 Jan 2016 to 3 Jan 2022 Payable: Monthly, in advance
<input type="checkbox"/> ERIA received? REMARKS: Previous tenant's lease terminated on expiry. Unit marketed						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
4. 21091 SI	4 – Forth	General Property	Unit 1 West Shore Business Centre, Edinburgh 2,403 sq ft	Fire Prevention Works Limited	Warehouse	Old Rent: n/a New Rent: £14,000 per annum, stepped up to £20,000 by Year 4 Lease Period: 7 Jan 2017 to 6 Jan 2022 Payable: Monthly, in advance
<input type="checkbox"/> ERIA received? REMARKS: Previous tenant's lease terminated. New 5-year lease at market rent agreed with a development break option included on the 31/05/21 in line with other existing leases in the West Shore Business Centre.						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
5. 21265 DB	13 – Leith	General Property	Duke Street Hall 108A Duke Street Edinburgh EH6 8HL	Duke Street United Reformed Church	Hall for Gym use – Leith Primary	Old Rent: n/a New Rent: £10,658.25 for the period Lease Period: 17 Aug 2016 – 30 Jun 2017 Payable: Quarterly
<input type="checkbox"/> ERIA received? REMARKS:						

ASSIGNATIONS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
6. ES170/3/24 SI	4 - Forth	General Property	Unit 27/28 Muirhouse Shopping Centre Edinburgh 1,688 sq ft	Sara Zarar	Takeaway	Old Rent: £10,000 per annum New Rent: £10,000 per annum Lease Period: 16 Sept 2016 – 15 Sept 2021 Payable: Monthly, in advance
<input type="checkbox"/> ERIA received? REMARKS: Units 27-29 have been split and the lease of Units 27-28 assigned to Sara Zarar						

VARIATIONS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
7. ES170/3/24/ D1 SI	4 - Forth	General Property	Unit 29 Muirhouse Shopping Centre, Edinburgh 830 sq ft	Paulo Crolla	Cafe	Old Rent: £6,000 per annum New Rent: £5,000 per annum, stepped to £7,000 on 16 Sept 2017 Lease Period: 15 Sept 2016 to 14 Jul 2021 Payable: Monthly, in advance
<input type="checkbox"/> ERIA received? REMARKS: Mr Crolla's lease interest consolidated to Unit 29 only, as Units 27-28 have been assigned to Sara Zarar						

NEW LEASES – EVENTS & LICENCES FOR WORK

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
8. Easter Road/Temp DB	12 – Leith Walk	General Property	Drying Green Area to rear of 258-260 Easter Road	Lidl	Site Compound	Rent: £1,000 for the period Lease Period: 16 Jan 2017 – 5 Mar 2017 Payable: In advance

<input checked="" type="checkbox"/> ERIA received?	REMARKS:
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ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
9. 32450 DB	5 – Inverleith	General Property	Miller Row 0.286 Acres	Sundial Properties	Licence	Rent: £13,200 for the period Lease Period: 29 Aug 2016 – 1 Jul 2017 Payable: Monthly

<input checked="" type="checkbox"/> ERIA received?	REMARKS:
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ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
10. REC/HW/D 44 DB	4 – Forth	General Property	Former football pitch 0.326 Acres	Springfield Properties	Site Compound	New Rent: £5,200 for the period Lease Period: 9 Jan 2017 – 31 Mar 2018 Payable: Monthly
<input type="checkbox"/> ERIA received? REMARKS:						

RENT REVIEWS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
11. ES791/11 IL	13 – Leith	General Property	Ground at 4 – 5 Carron Place, Edinburgh, EH6 7RE 0.697 Acres	Frederick House (Charlotte) Limited	Ground Lease (Class 4/6 – Two terraces of industrial style sheds have been built on the ground)	Old Rent: £11,600 per annum New Rent: £18,300 per annum From: 1 Oct 2015 – 30 Sept 2020 Payable: Half yearly, in advance

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
12. ES8 IL	13 – Leith	General Property	Ground at Sandport Trading Estate, 10 – 20 Dock Street, Edinburgh, EH6 6EY 1.028 Acres	Aldi Stores Limited	Ground Lease (Class 4/6 – Two terraces of industrial style sheds have been built on the ground)	Old Rent: £16,300 per annum New Rent: £17,400 per annum From: 28 May 2016 – 27 May 2021 Payable: Half yearly, in advance

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
13. West Edin /Temp IL	3 – Drum Brae/ Gyle	General Property	West Edinburgh Business Park, Marnin Way, South Gyle Crescent, Edinburgh, EH12 9EB 4.79 Acres	C & W Assets Ltd	Ground Lease (Class 4/6) The tenant is in the process of building a phased industrial estate of which Phase 1 is complete	Old Rent: £434.08 per annum New Rent: £9,902.72 per annum From: 28 Feb 2017 Payable: Quarterly, in arrears

ERIA received?

REMARKS: Rent of the unit is increased every time more of the industrial estate is let

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
14. PEF01-U14 IL	17 – Portobello/ Craigmillar	General Property	Block 6, U1-4, Peffermill Industrial Estate, Edinburgh, EH16 5UY 8,621sq ft	Saint-Gobain Building Distribution Limited	Trade Counter (Class 4, 5 & 6)	Old Rent: £45,000 per annum New Rent: £50,000 per annum From: 14 Jun 2016 – 13 Jun 2021 Payable: Monthly, in advance

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
15. 17768/7 IL	17 – Portobello/ Craigmillar	General Property	Unit 7 Peffer Business Centre, Edinburgh, EH16 4UZ 750 sq ft	Daniel Foremiviak	Office & Storage (Class 4/6) Building Supplies	Old Rent: £4,560 per annum New Rent: £5,325 per annum From: 16 Sept 2016 – 15 Sept 2021 Payable: Monthly, in advance
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
16. 17768/5 IL	17 – Portobello/ Craigmillar	General Property	Unit 5 Peffer Business Centre, Edinburgh, EH16 4UZ 775 sq ft	James Cranston	Office & Storage (Class 4/6) Building Contractor	Old Rent: £4,650 per annum New Rent: £5,500 per annum From: 18 Nov 2016 – 17 Nov 2021 Payable: Monthly, in advance
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
17. ES779/3 IL	17 – Portobello/ Craigmillar	General Property	25 Peffer Place, Edinburgh, EH16 4BB 0.52 Acres	The AFE Group Limited	Ground (Class 4/6) The tenant has built and industrial style shed on the ground	Old Rent: £11,250 per annum New Rent: £12,800 per annum From: 1 Oct 2016 – 30 Sept 2021 Payable: Quarterly, in advance
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
18.L1822 GL	10 – Meadows/ Morningside	General Property	West Meadows Bowling Green, Leven Terrace, Edinburgh 4,356 sq ft	Meadows Croquet Club	Croquet club	Old Rent: £200 per annum New Rent: £300 per annum From: 15 February 2017 to 14 February 2020
<input checked="" type="checkbox"/> ERIA received? REMARKS: Rent increased on RPI basis from commencement of lease in 2002 (not previously increased)						

LEASE RENEWALS/EXTENSIONS

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
19. 16110/21 IL	6 – Corstorphine/ Murrayfield	General Property	3 Pinkhill, Edinburgh, EH12 7BA 726 sq ft	David L Scott	Industrial (Class 4, 5 & 6) Car Mechanic	Old Rent: £5,750 per annum New Rent: £6,250 per annum From: 2 Apr 2016 to 1 Apr 2021 Payable: Monthly, in advance
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ACCOUNT	SUBJECTS (including area in sq ft)	TENANT	USE	TERMS
20.01/T278T/29 IL	1 – Almond	General Property	U29 Viewforthbank Ind Est, The Loan, South Queensferry, EH30 9SD 3,647 sq ft	Martin Armstrong & Karen Barclay	Industrial (Class 4, 5 & 6) Car Mechanic	Old Rent: £18,000 per annum New Rent: £19,500 per annum From: 1 Nov 2016 to 31 Oct 2021 Payable: Monthly, in advance
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
21. Housing Strategy Project DS	7 – Sighthill/ Gorgie	HRA	16/2 Caledonian Road 54 sq m	Mr Crawford and Mrs Shaw	Private residential dwelling	Purchase price: £140,760 Date of entry: 14 Nov 2016 Sale concluded: 14 Nov 2016
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
22. Housing Strategy Project DS	10 – Meadows/ Morningside	HRA	2 (3F2) Drumdryan Street, EH3 9LA 51 sq m	Mr Horrocks	Private residential dwelling	Purchase price: £135,500 Date of entry: 13 Nov 2015 Sale concluded: 13 Nov 2015
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

DISPOSALS

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
23. Housing Strategy Project DS	9 – Fountainbridge/ Craicklockhart	HRA	76 Gilmore Place EH3 9NX	Mr Beckett	Private residential dwelling	Purchase price: £385,000 Date of entry: 21 Mar 2016 Sale concluded: 21 Mar 2016
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
24. Housing Strategy Project DS	13 – Leith	HRA	42 (3F2) Great Junction Street EH6 5LB 50 sq m	Mr and Mrs Fitzcharles	Private residential dwelling	Purchase price: £103,000 Date of entry: 15 Dec 2015 Sale concluded: 15 Dec 2015
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
25. Housing Strategy Project DS	15 – Southside/ Newington	HRA	16 (PF1) Montague Street, EH8 9QX 66 sq m	Mr Douglas	Private residential dwelling	Purchase price: £190,150 Date of entry: 30 Jun 2015 Sale concluded: 30 Jun 2015
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
26. Housing Strategy Project DS	15 – Southside/ Newington	HRA	10 (2F2) Montague Street, EH8 9QU 67 sq m	Mr Geddes	Private residential dwelling	Purchase price: £208,500 Date of entry: 7 Oct 2016 Sale concluded: 7 Oct 2016
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
27. Housing Strategy Project DS	9 – Fountainbridge/ Craiglockhart	HRA	14 (PF3) Murdoch Terrace, EH11 1BB 36 sq m	Mr Greig	Private residential dwelling	Purchase price: £114,151 Date of entry: 22 Dec 2016 Sale concluded: 22 Dec 2016
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
28. Housing Strategy Project DS	15 – Southside/ Newington	HRA	46 (1F2) Nicolson Street 66 sq m	Salman Alshammari	Private residential dwelling	Purchase price: £185,000 Date of entry: 23 Jan 2017 Sale concluded: 23 Jan 2017
<input checked="" type="checkbox"/> ERIA received? REMARKS:						

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
29. Housing Strategy Project DS	11 – City Centre	HRA	6/3 St Mary's Street, EH1 1SU 71 sq m	Osman Celic	Private residential dwelling	Purchase price: £190,000 Date of entry: 14 Sept 2015 Sale concluded: 14 Sept 2015

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
30. Housing Strategy Project DS	7 – Sighthill / Gorgie	HRA	5 Cobden Terrace, EH11 2BJ 50 m2	Ms Whitham	Private residential dwelling	Purchase price: £141,765 Date of entry: 8 Jan 2016 Sale concluded: 8 Jan 2016

ERIA received?

REMARKS:

ITEM & REF NO.	WARD	OWNING DEPT/ ACCOUNT	SUBJECTS (including area in sq ft)	PURCHASER	USE	TERMS
31. Housing Strategy Project DS	12 – Leith Walk	HRA	84 (2F3) Broughton Road, EH7 4JH 42 sq m	Yuxiang Gu	Private residential dwelling	Purchase price: £118,888 Date of entry: 16 Sept 2016 Sale concluded: 16 Sept 2016
<input checked="" type="checkbox"/> ERIA received? REMARKS: Highest offer following open market tender						