

Finance and Resources Committee

10.00am, Thursday, 28 September 2017

Restructure of Various Leases at Leith Links, Edinburgh

Item number	8.3
Report number	
Executive/routine	Routine
Wards	13 - Leith
Council Commitments	

Executive Summary

Leith Community Crops in Pots and Leith Athletic Football Club occupy land and pavilions at Leith Links under various agreements.

In order to standardise and simplify these arrangements, terms have been agreed on new leases to both parties.

This report seeks approval to the grant of new leases to Leith Community Crops in Pots and Leith Athletic Football Club on the terms and conditions outlined in the report.

Restructure of Various Leases at Leith Links, Edinburgh

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves the new leases to Leith Community Crops in Pots and Leith Athletic Football Club on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

2. Background

- 2.1 Leith Community Crops in Pots (LCCiP) occupy an area of ground at John's Place used as a community croft under a rolling monthly lease from 1 December 2014 at a peppercorn rent (£1 per annum if asked). Referred to as site 1 on the attached plan.
- 2.2 Leith Athletic Football Club has a lease of a pavilion at John's Place from 14 May 1998 to 13 May 2023 at a passing rent of £500 per annum. Leith Athletic sub-lease this pavilion to LCCiP. Referred to as site 2 on the attached plan.
- 2.3 Leith Athletic also lease a separate pavilion adjacent to Links Gardens. This lease was originally for 12 months from 1 August 1998 to 31 July 1999 and is currently holding over on an annual basis under tacit relocation at a passing rent of £100 per annum. Referred to as site 3 on the attached plan.
- 2.4 All the buildings are in poor condition and therefore have limited commercial value. Leith Links forms part of the Council's Common Good Estate.
- 2.5 The existing arrangements are no longer suitable as the security of tenure impacts on the occupiers ability to raise capital for investment in the assets. Terms have now been reached for longer term leases on each of the assets.

3. Main report

- 3.1 Following discussions between the Council, LCCiP and Leith Athletic, the following terms have been provisionally agreed

Community Croft

- Subjects: Leith Links Community Croft

- Tenant: LCCiP
- Lease term: 25 years from date of entry
- Rent reviews: On each fifth anniversary to open market value
- Break option: Mutual break on each fifth anniversary of date of entry
- Rent: £1 per annum (if asked)
- Use: Community croft
- Other terms: Restrictions on depth of excavations due to archaeological issues

John's Place Pavilion

- Subjects: John's Place pavilion
- Tenant: LCCiP
- Lease term: 25 years from date of entry
- Rent reviews: On each fifth anniversary to open market value
- Rent: £500 per annum
- Use: Community facility to support the croft
- Other terms: As contained in a standard commercial lease

Links Gardens Pavilion

- Subjects: Links Gardens pavilion
- Tenant: Leith Athletic Football Club
- Lease term: 10 years from date of entry
- Rent reviews: On each fifth anniversary to open market value
- Rent: £100 per annum
- Use: Changing facilities and clubroom for the club
- Other terms: As contained in a standard commercial lease

4. Measures of success

- 4.1 Granting the new leases will provide increased security of tenure to the tenants. This will allow the parties to source funding to improve the facilities which will protect the Council's assets.

5. Financial impact

- 5.1 The new leases produce the same rent as the existing arrangements, however, the income is secured for a longer period. Two of the leases provide potential uplifts through rent reviews.
- 5.2 Given the condition of the assets, they would have limited alternative commercial value

6. Risk, policy, compliance and governance impact

- 6.1 It is considered that this report has 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 The leases provisionally agreed secure a longer term future for both of these community groups in the Leith area allowing them to continue and enhance the rights of health, legal security, education and learning, productive and valued activities.
- 7.3 When agreeing new leases when a property has not been marketed an infringement of rights can often be claims by individuals or groups who were not given the opportunity to lease or make an offer for the property. Given the established nature of both community groups in this location and the nature of the services they provide it is considered that no real infringement has occurred.

8. Sustainability impact

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

9. Consultation and engagement

- 9.1 The Leith Ward Councillors are aware of and have been involved in various discussion between the Council, LCCiP and Leith Athletic.

10. Background reading/external references

10.1 Not applicable.

Stephen S. Moir

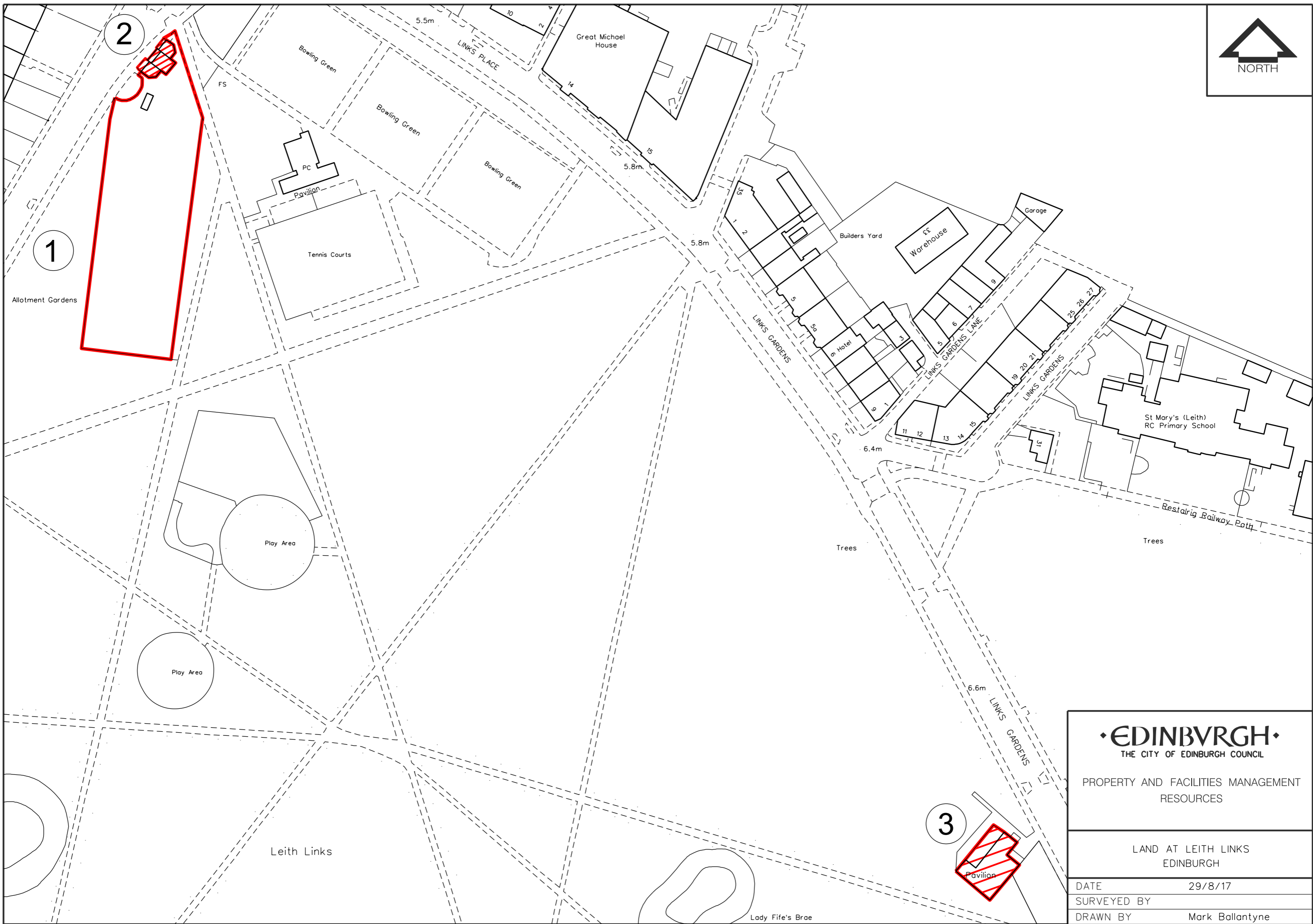
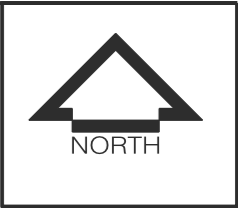
Executive Director of Resources

Contact: Mark Bulloch, Portfolio Manager - Investments

E-mail: mark.bulloch@edinburgh.gov.uk | Tel: 0131 529 5991

11. Appendices

Appendix 1 - Location Plan



1

2

3

Allotment Gardens

Tennis Courts

Play Area

Play Area

Leith Links

Lady Fife's Brae

Great Michael House

PC

Pavilion

Bowling Green

Bowling Green

Bowling Green

Builders Yard

Warehouse

Garage

Hotel

St Mary's (Leith) RC Primary School

Restalrig Railway Path

Pavilion

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THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
RESOURCES

LAND AT LEITH LINKS
EDINBURGH

DATE 29/8/17

SURVEYED BY

DRAWN BY Mark Ballantyne

SCALE N.T.S.

NEG. NO. A3/1827

SITE PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

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